

CONFERENCE COMMITTEE REPORTS

Conf. Com. Rep. 1-18 on S.B. No. 192

The purpose of this measure is to manage state finances.

More specifically, the measure:

- (1) Deposits settlement moneys received in 2018 that relate to compliance with the Tobacco Master Settlement Agreement from calendar years 2004 to 2017 into the emergency and budget reserve fund;
- (2) Authorizes the Director of Finance to transfer moneys in the natural area reserve fund that are in excess of the needs of that reserve fund into the general fund;
- (3) Provides that moneys in the tobacco settlement special fund that are in excess of the needs of that special fund shall provide revenue to the Hawaii tobacco prevention and control trust fund and the university revenue-undertakings fund; and
- (4) Specifies that moneys in the tobacco settlement special fund that are in excess of the needs of that special fund are to be used to supplant any losses that result from any discount or reduction taken against regular master settlement agreement payments received by the State between calendar years 2018 and 2022.

Your Committee on Conference finds that depositing and authorizing the transfer and utilization of revenues as described above is prudent and in the best interest of the State.

Your Committee on Conference also finds that an extraordinary weather event of torrential rains caused widespread flooding and serious damage in the County of Kauai and portions of the City and County of Honolulu in April 2018. On the island of Kauai, the rains caused extensive damage to the slopes adjacent to Kuhio Highway, and impacted the communities of Wainiha, Haena, and other regions. In the City and County of Honolulu, the rains caused serious damage in Waimanalo and East Honolulu. At this point, it is unclear if other areas of the State have been severely impacted as well.

Your Committee on Conference further finds that the severe, sudden, and extraordinary weather event caused damage, losses, and suffering that affected the health, welfare, and living conditions of a substantial number of persons, and is of such a nature as to warrant rehabilitative assistance from the State.

Your Committee on Conference has amended this measure by appropriating moneys to the Department of Defense for disaster relief efforts in the County of Kauai and other areas of the State that have been adversely impacted by the extraordinary weather event that occurred in April 2018.

More specifically, the measure appropriates moneys to protect the health, safety, and welfare of the people, and provide relief from disaster damages, losses, and suffering, as follows:

- (1) \$100,000,000 to be expended in the County of Kauai; and
- (2) \$25,000,000 to be expended in areas of the State other than Kauai.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 192, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 192, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Dela Cruz, Keith-Agaran and Galuteria.

Managers on the part of the Senate.

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

Representatives Luke, Cullen, Morikawa, Nakamura and Ward.

Managers on the part of the House.

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

Conf. Com. Rep. 2-18 on S.B. No. 508

The purpose of this measure is to change the percentage deducted and withheld from the disposition of Hawaii real property by nonresidents from five percent of the amount realized to an unspecified percentage.

Your Committee on Conference finds that section 235-68, Hawaii Revised Statutes, requires a withholding of income tax on the disposition of real property held by nonresidents. This withholding is sometimes referred to as "HARPTA", an acronym for Hawaii Real Property Tax Act. Your Committee on Conference further finds that this section was enacted to provide a means for the State to collect capital gains taxes from absentee property owners.

Your Committee on Conference has amended this measure by changing the withholding rate from an unspecified percentage to 7.25 percent.

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

Signed by the Chairs on behalf of the Committee.

Senators Dela Cruz, Keith-Agaran and Galuteria.

Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

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

Conf. Com. Rep. 3-18 on H.B. No. 1900

PART I. OVERVIEW

Your Committee on Conference has approved a Conference Draft of the executive budget that is less than the operating budget request submitted by the Administration. The Conference Draft appropriates \$14,438,080,109 in all funds, inclusive of \$7,512,285,586 in general funds for fiscal year 2018-2019.

The Administration’s initial budget submittal to the Legislature added \$21,256,787 in general funds for fiscal year 2018-2019. Since submitting the initial budget to the Legislature in December, the Administration also submitted various Governor’s Messages that adjusted its initial request by adding \$45,146,065 in general funds for fiscal year 2018-2019.

The net change of the appropriations in this measure, as amended by your Committee on Conference, results in an executive budget for fiscal biennium 2017-2019 as follows:

	Fiscal Year 2017-2018		Fiscal Year 2018-2019	
	All Funds	General Funds	All Funds	General Funds
Executive Budget Act 49, SLH 2017	\$14,110,569,014	\$7,248,455,293	\$14,308,859,860	\$7,421,597,622
Executive Request (Including Governor’s Messages #7, #8, #11 and #12)	\$0	\$0	\$122,073,349	\$66,402,852
Net Change of Conference Draft	\$0	\$0	\$129,220,249	\$90,687,964
Total Appropriation	\$14,110,569,014	\$7,248,455,293	\$14,438,080,109	\$7,512,285,586

PART II. OPERATING BUDGET HIGHLIGHTS

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

Agriculture

- (1) Adding \$800,000 in general funds for invasive and hazardous plant mitigation; and
- (2) Adding 2.00 permanent positions and \$162,500 in general funds for the Farm-to-State Food Program;

Accounting and General Services

- (1) Adding \$100,000 in general funds for salary increases for Office of Information Practices personnel;
- (2) Adding 75.00 permanent positions, 3.00 temporary positions, and \$5,663,887 in general funds for capital improvement project staff costs;
- (3) Adding 2.00 permanent positions and \$228,972 in general funds for salary increases for State Procurement Office personnel; and
- (4) Adding \$500,000 in general funds for a comprehensive review and analysis of the Hawaii Public Procurement Code;

Attorney General

- (1) Adding \$2,000,000 in general funds for the litigation fund;

Business, Economic Development and Tourism

- (1) Adding \$150,000 in general funds for the unmanned aerial systems program;
- (2) Adding \$150,000 in general funds for the Pacific International Space Center for Explorations System;
- (3) Adding \$1,500,000 in general funds for the Excelerator Program; and
- (4) Adding \$1,050,000 in general funds for community-based economic development for elderly transportation services and the kupuna community care network;

Budget and Finance

- (1) Reducing \$15,126,328 for debt service payments;
- (2) Reducing \$42,475,735 for retirement benefit payments; and
- (3) Reducing \$23,765,824 for health premium payments;

Commerce and Consumer Affairs

- (1) Adding \$7,920,000 in trust funds for Institutional Network Cable Television; and
- (2) Adding 1.00 permanent position and \$170,058 in special funds for Business Registration and Securities Regulation;

Defense

- (1) Adding 1.00 temporary position and \$95,000 in general funds for the Hawaii State Fusion Center;
- (2) Adding \$1,446,200 in general funds for repairs and maintenance, statewide; and
- (3) Adding \$200,000 in general funds for Hawaii State Veterans Cemetery;

Education*Regular Education*

- (1) Adding \$1,500,864 in general funds for the Office of Hawaiian Education;
- (2) Adding \$2,147,282 in general funds for the Hawaii Keiki Program;
- (3) Adding \$500,000 in general funds for the Early College High School Initiative;
- (4) Adding 1.00 permanent position and \$4,500,000 in general funds for Alternative Learning Centers;
- (5) Adding 2.00 permanent positions and \$183,818 in general funds for World Languages and Health Education;
- (6) Adding \$850,000 in general funds for Title IX compliance training;
- (7) Adding \$1,100,000 in general funds for alternative teacher route programs;
- (8) Adding \$1,080,184 in general funds for the Office of Strategy, Innovation and Performance;
- (9) Adding \$850,000 in general funds for travel costs for athletic teams;
- (10) Adding 66.00 permanent positions and \$4,783,896 in general funds for capital improvement project staff costs;
- (11) Adding 6.00 permanent positions and \$533,868 in general funds for Workforce Innovation and Opportunity Act and Adult Education and Family Literacy Act staffing;

Libraries

- (12) Adding \$500,000 in general funds for repair and maintenance projects;
- (13) Adding \$500,000 in general funds for books and materials;

Charter Schools

- (14) Adding \$142,000 in general funds for national board certified teachers;
- (15) Adding \$2,182,338 in general funds for per pupil adjustment costs;

Early Learning

- (16) Adding \$20,000 in general funds for the Professional Learning System; and
- (17) Adding 2.00 permanent positions and \$133,618 in general funds for the Executive Office on Early Learning and Early Learning Advisory Board;

Health

- (1) Adding \$800,000 in general funds for outreach and counseling services for chronically homeless individuals and families with severe substance abuse disorders;
- (2) Adding \$500,000 in general funds for chronic disease prevention and health promotion;
- (3) Adding \$2,871,420 in general funds for emergency medical services;
- (4) Adding \$4,500,000 in general funds for three new ambulances for the County of Kauai, County of Hawaii, and City and County of Honolulu;

Executive Office on Aging

- (5) Adding \$1,700,000 in general funds for Aging and Disability Resource Centers statewide;
- (6) Adding \$3,877,063 in general funds for Kupuna Care; and
- (7) Adding \$1,200,000 in general funds for the Kupuna Caregiver Fund;

Hawaii Health Systems Corporation

- (1) Adding \$11,230,969 in general funds for an operating subsidy;
- (2) Adding \$1,500,000 in general funds for the Hilo Medical Center Cardiac Unit; and

- (3) Adding \$28,000,000 in general funds for an operating subsidy for the Hawaii Health Systems Corporation – Maui Health System;

Human Resources Development

- (1) Adding \$101,080 in general funds for the Learning Management and Self-Directed Learning Library;

Human Services

- (1) Adding \$15,000,000 in general funds for Homeless Programs and Services;
- (2) Adding \$240,000 in general funds for Juvenile Justice Programs; and
- (3) Adding \$5,250,000 in general funds for the Kauhale On-Line Eligibility Assistance (KOLEA) System;

Labor and Industrial Relations

- (1) Adding 2.00 permanent positions and \$145,000 in general funds for the Hawaii Labor Relations Board;

Land and Natural Resources

- (1) Adding \$500,000 in general funds for mangrove remediation to address flood control issues;
- (2) Adding \$800,000 in general funds for Rapid Ohia Death response;
- (3) Adding 2.00 permanent positions and \$500,928 in general funds for the Division of Conservation and Resources Enforcement Training Academy;
- (4) Adding 9.00 permanent positions and \$283,969 in general funds for the State Historic Preservation Division; and
- (5) Adding 10.00 permanent positions and \$188,820 in general funds for State Parks Administration and Operations;

Public Safety

- (1) Adding \$5,000,000 in general funds for continued housing of inmates at the Saguaro Correctional Center;
- (2) Adding \$1,944,923 in general funds to address the Medicaid payment shortfall; and
- (3) Adding 1.00 permanent position and \$85,670 in general funds for the Sheriff Division, Kona Unit;

Taxation

- (1) Transferring in 6.00 temporary positions and \$900,000 in general funds for the Tax System Modernization Project; and
- (2) Adding 5.00 temporary positions and \$215,425 in special funds for the Special Enforcement Section;

Transportation

Airports

- (1) Adding \$10,994,788 in special funds for ten Wiki Wiki shuttle buses;
- (2) Adding 12.00 permanent positions and \$3,414,352 in special funds for Airport Rescue Fire Fighting at Lihue Airport;
- (3) Adding \$39,000,000 in special funds for the Consolidated Rental Car Facility Tram and Shuttle Service;

Highways

- (4) Adding \$1,980,600 in special funds for the Highways Financial Management System, Phase III;
- (5) Adding \$11,500,000 in general funds for special maintenance; and

Administration

- (6) Adding \$250,000 in special funds and \$250,000 in federal funds for safety oversight of the rail transit fixed guideway system.

University of Hawaii

- (1) Adding 5.00 permanent positions and \$300,000 in general funds for the student success initiative for the University of Hawaii at Manoa;
- (2) Adding 11.00 permanent positions and \$960,000 in general funds for the College of Tropical Agriculture and Human Resources;
- (3) Adding \$300,000 in general funds for rat lungworm research;
- (4) Adding 2.00 permanent positions and \$200,000 in general funds for the Hawaii Ant Lab;
- (5) Adding 8.00 permanent positions and \$501,000 in general funds for health, safety, and campus development for the University of Hawaii, West Oahu;
- (6) Adding 6.20 permanent positions and \$515,000 in general funds for the Health Sciences Academy;
- (7) Adding 8.00 permanent positions and \$750,000 in general funds for the student success initiative for the University of Hawaii community colleges; and

- (8) Adding 10.00 permanent positions and \$1,250,372 in general funds for online learning courses.

PART III. CAPITAL IMPROVEMENT PROJECTS BUDGET

Your Committee on Conference finds that capital improvement projects are essential to our economy and play a pivotal role in building social infrastructure and helping to strengthen communities.

Your Committee on Conference has provided a total of \$1,027,951,000 for fiscal year 2017-2018 and \$735,455 for fiscal year 2018-2019 for projects funded by general obligation bond funds and \$4,657,524,000 for fiscal biennium 2017-2019 for projects funded by all other means of financing. In comparison, the Administration's proposed capital improvement program biennium budget, as amended pursuant to Governor's Messages, provided a total of \$1,027,951,000 for fiscal year 2017-2018 and \$694,143,000 for fiscal year 2018-2019 for projects funded by general obligation bonds and \$4,508,180,000 for fiscal biennium 2017-2019 for projects funded by all other means of financing.

Highlights of the capital improvements projects' budget for the biennium include:

Department of Agriculture

- \$2,750,000 for Agricultural Infrastructure Improvements, statewide
- \$4,500,000 for East Maui Water Systems
- \$4,700,000 for Agricultural Land, Oahu
- \$3,600,000 for Kekaha Ditch Irrigation System Modification, Kauai
- \$4,000,000 for Waiahole Water System Improvements, Oahu

Department of Accounting and General Services

- \$5,050,000 for Health and Safety, Information and Communication Services, statewide

Department of Business, Economic Development, and Tourism

- \$6,500,000 for First Responders Technology Campus and Cyber Security Data Center, Oahu
- \$4,900,000 for Improvements and Upgrades to Seawater System, Hawaii

Department of Education

The Administration proposed \$175,082,000 for fiscal year 2018-2019 for education facilities. Instead, your Committee on Conference has provided a total of \$350,356,000 for fiscal year 2018-2019 for education facilities including:

- \$14,350,000 for Science, Technology, Engineering and Math (STEM) Facilities, Improvements and Renovations, statewide
- \$13,000,000 for East Kapolei Middle School, Oahu
- \$10,000,000 for Pohukaina Elementary School, Oahu
- \$40,000,000 for Kihei High School, Maui
- \$10,000,000 for Gender Equity Facilities, Improvements and Renovations, statewide
- \$20,500 for Waipahu Intermediate School, Oahu

Department of Hawaiian Home Lands

- \$4,000,000 for Molokai Veterans Center, Molokai
- \$2,000,000 for Waianae Coast Parallel Route, Oahu

Department of Human Services

- \$21,500,000 for Public Housing Development, Improvements, and Renovations, statewide
- \$4,500,000 for Mayor Wright Homes On-Site Infrastructure Improvements

Department of Land and Natural Resources

- \$6,506,000 for Watershed Protection and Initiatives, statewide
- \$1,680,000 for Kawainui Marsh Cleanup Environmental Degradation and Restoration of Native Wildlife Habitat

Department of Public Safety

- \$40,000,000 for Women's Community Correctional Center (WCCC), Oahu

Department of Taxation

- \$16,546,000 for Tax System Modernization

Department of Transportation

- \$2,000,000 for Paakea Road Condemnation

University of Hawaii

- \$700,000 for University of Hawaii At Manoa Sinclair Library Renovation
- \$3,000,000 for University of Hawaii At Hilo, Hale Alahonua Air Conditioning Improvements
- \$5,000,000 for University of Hawaii West Oahu, Campus Center Extension
- \$3,000,000 for Community College Systems Multi-Agency Facility, Oahu
- \$200,000 for University of Hawaii John A. Burns School of Medicine

Your Committee on Conference recognizes the great need in the State for services provided by non-governmental groups and nonprofit agencies and has thus provided \$20,000,000 in general obligation bond funds in fiscal year 2018-2019 to help aid these organizations in better serving the community.

Finally, your Committee on Conference provided funding for various projects within the Department of Defense, Department of Hawaiian Home Lands, Department of Health, Department of Human Services, Department of Land and Natural Resources, and Department of Transportation, among others, to ensure that contributions of matching federal, private, and other funds may be maximized and not lost or forfeited.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1900, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1900, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Dela Cruz, English, Galuteria, Harimoto, Inouye, Kahele, Keith-Agaran, Kidani, Riviere, Shimabukuro and Wakai.
Managers on the part of the Senate.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Riviere).

Representatives Luke, Cachola, Cullen, DeCoite, Fukumoto, Gates, Holt, Keohokalole, Kobayashi, Lowen, Nakamura, Todd, Yamashita, Tupola and Ward.

Managers on the part of the House.

Ayes, 14. Noes, none. Excused, 1 (Yamashita).

Conf. Com. Rep. 4-18 on H.B. No. 2145

The purpose and intent of this measure is to:

- (1) Allow the synchronization of plan participants' medications;
- (2) Require plans, policies, contracts, or agreements that are offered by health insurers, mutual benefit societies, and health maintenance organizations and provide prescription drug benefits to apply prorated daily cost-sharing rates for prescriptions dispensed by network pharmacies for less than a thirty-day supply; and
- (3) Require that network pharmacies identify an anchor prescription to which all other prescriptions may be synced for the purposes of medication synchronization.

Your Committee on Conference has amended this measure by:

- (1) Changing the effective date to July, 1 2018;
- (2) Removing the repeal date of July 1, 2023; and
- (3) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

The intent of your Committee on Conference is to benefit residents who are taking more than one prescription medication. Your Committee on Conference requests that the Department of Commerce and Consumer Affairs Board of Pharmacy review this measure to ascertain whether it results in higher costs to consumers and businesses and recommend additional legislation no later than 20 days prior to the convening of the 2020 Legislative Session.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2145, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2145, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Representatives Mizuno, Takumi, Kobayashi and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 5-18 on S.B. No. 2821

The purpose of this measure is to conform Hawaii's income and estate and generation-skipping transfer tax laws to the Internal Revenue Code of 1986, as amended as of December 31, 2017.

Your Committee on Conference finds that close conformance of state tax laws to the Internal Revenue Code is normally recommended to ease the administration of state taxes. However, your Committee on Conference believes that, in light of multiple changes that have recently come into effect at the federal level, it is appropriate that state tax laws not conform to a number of provisions of the Internal Revenue Code.

Your Committee on Conference has amended this measure by:

- (1) Deleting provisions that would make sections 162(f) (with respect to allowance of deductions for restitution or compliance with law payments), 529 (with respect to qualified tuition programs), and 529A (with respect to qualified ABLE programs) of the Internal Revenue Code inoperative for state income tax purposes;

- (2) Disallowing deductions, under section 162(f)(2), (3), and (4) of the Internal Revenue Code, for the payment of fines or penalties;
- (3) Disallowing the use of distributions from qualified tuition programs, under section 529 of the Internal Revenue Code, for elementary and secondary education;
- (4) Clarifying that, for generation-skipping transfer tax purposes, the applicable rate shall be determined using section 2642 of the Internal Revenue Code, as amended as of December 21, 2017;
- (5) Correcting a citation to the Hawaii Revised Statutes; and
- (6) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2821, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2821, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Dela Cruz, Keith-Agaran and Galuteria.

Managers on the part of the Senate.

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

Representatives Luke, Cullen and Ward.

Managers on the part of the House.

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

Conf. Com. Rep. 6-18 on S.B. No. 2803

The purpose of this measure is to:

- (1) Update boiler and elevator safety laws by making housekeeping amendments to delete obsolete language;
- (2) Rename the boiler and elevator special fund as the boiler and elevator revolving fund; and
- (3) Extend the schedule for reimbursement of the general fund for appropriations made to establish the boiler and elevator special fund from five to ten years.

Your Committee on Conference finds that current state law contains various definitions of elevators and kindred equipment that are either no longer a part of applicable standards; transitioned to the jurisdiction of other work groups; excluded from the American Society of Mechanical Engineers A17.1, Safety Code for Elevators and Escalators; or non-existent in Hawaii; therefore, it is necessary to update the state laws to comply with the national standards.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2803, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2803, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Keith-Agaran and Chang.

Managers on the part of the Senate.

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

Representatives Johanson, Holt and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 7-18 on S.B. No. 2361

The purpose of this measure is to appropriate funds for fiscal biennium 2017-2019 for collective bargaining cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (14) and for their excluded counterparts.

Your Committee on Conference finds that on April 5, 2018, the State received notification of an arbitration award concerning the Hawaii Government Employees Association, collective bargaining unit (14). An agreement with the Hawaii Government Employees Association regarding Employer-Union Trust Fund contributions was previously reached and funded by Act 28, Session Laws of Hawaii 2017.

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

- (1) Inserting specific amounts for collective bargaining cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (14) and for their excluded counterparts for fiscal biennium 2017-2019, pursuant to the arbitration award;
- (2) Changing the effective date to upon approval; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2361, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2361, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Johanson, Luke, Cullen, Holt and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Matsumoto).

Conf. Com. Rep. 8-18 on H.B. No. 1652

The purpose of this measure is to:

- (1) Abolish certain non-general funds and transfer the unencumbered balances to the general fund;
- (2) Establish end of the fiscal year carryover balances for various non-general funds within the Department of Labor and Industrial Relations and the Department of Commerce and Consumer Affairs; and
- (3) Increase the deduction for central services expenses from five to seven percent.

Your Committee on Conference has amended this measure by:

- (1) Abolishing only the following funds recommended by the Auditor in Auditor's Report No. 17-10:
 - (A) Est/adm license and permit tobacco and cigarette special fund;
 - (B) IRS refund intercept trust account;
 - (C) Special enforcement section collections trust account; and
 - (D) Taxes payable to counties - fuel trust accounts;
- (2) Removing the establishment of end of the fiscal year carryover balances for various non-general funds within the Department of Labor and Industrial Relations and the Department of Commerce and Consumer Affairs;
- (3) Reinstating the five percent deduction for central services expenses; and
- (4) Changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1652, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1652, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 9-18 on H.B. No. 2081

The purpose of this measure is to address the exponential growth in the number of rose-ringed parakeets that pose a significant threat to local economies, the environment, and human health and safety by appropriating an unspecified sum to the Department of Land and Natural Resources (DLNR) to assist and fund the National Wildlife Research Center of the United States Department of Agriculture (Research Center) to continue its efforts to manage the population of rose-ringed parakeets on the island of Kauai.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$284,011 to DLNR to assist and fund the Research Center in its efforts to manage the population of rose-ringed parakeets on the island of Kauai;
- (2) Changing its effective date to July 1, 2018; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2081, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2081, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Rhoads, Gabbard and Riviere.
Managers on the part of the Senate.

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

Representatives Creagan, Nakamura and Thielen.

Managers on the part of the House.

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

Conf. Com. Rep. 10-18 on H.B. No. 2305

The purpose of this measure is to assist coffee growers through the Pesticide Subsidy Program (Program), which offsets the costs of purchasing certain pesticides known to be effective against the destructive coffee berry borer beetle, by extending the sunset date of the Program manager position and the manager position's civil service and collective bargaining exemptions to June 30, 2022.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2305, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2305, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, English and Ruderman.

Managers on the part of the Senate.

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

Representatives Creagan, Johanson, DeCoite, Holt, Lowen and Thielen.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 2 (Johanson, Lowen).

Conf. Com. Rep. 11-18 on H.B. No. 2208

The purpose of this measure is to:

- (1) Require that association health plan policies comply with the laws of the State regardless of the sponsoring association's domicile; and
- (2) Enable certain voluntary employer associations and sponsoring associations to qualify for authorization to transact insurance in the State.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that all association health plans issued by a voluntary association of employers authorized to do so by the United States Department of Labor and operative in the State shall comply with all applicable state laws regardless of the characteristics and tax status of the voluntary association or employers;
- (2) Clarifying that all voluntary associations of employers that issue health plans operative within the State shall be eligible for and required to hold a certificate of authority from the Insurance Division;
- (3) Requiring the Insurance Commissioner to adopt or amend any forms as necessary for implementation of this measure by no later than January 1, 2019;
- (4) Specifying that the compliance requirements for association health plans and voluntary associations of employers shall become effective on January 1, 2019; and
- (5) Making technical nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2208, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2208, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Ruderman and Tokuda.

Managers on the part of the Senate.

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

Representatives Mizuno, Takumi, Ichiyama and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 12-18 on S.B. No. 2407

The purpose of this measure is to convene the Medical Cannabis Study Group to examine the legal complexities surrounding the medical use of cannabis in Hawaii.

Your Committee on Conference finds that the medical use of cannabis may be effective at treating opioid use and substance use disorders by reducing the amount of opioid medication needed to provide effective pain relief. While your Committee on Conference recognizes the importance of proceeding with due deliberation when possible, the serious public health concerns posed by opioid use disorders and substance use disorders demand a commensurate, proactive response. Your Committee on Conference finds that the S.D. 1 version of this measure, which was previously passed by the Senate, permits immediate action to address opioid use and substance

use disorders by allowing these disorders, along with withdrawal symptoms resulting from treatment of those conditions, to be treated with the medical use of cannabis.

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

- (1) Reverting to the S.D. 1 version, which amends the definition of “debilitating medical condition”, as used in the medical use of cannabis law, to include opioid use disorders, substance use disorders, and withdrawal symptoms resulting from the treatment of those conditions; and
- (2) Making it effective upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2407, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2407, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Mizuno, San Buenaventura, Takumi and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 13-18 on S.B. No. 2488

The purpose of this measure is to establish the medical cannabis insurance reimbursement working group to address reimbursement by health insurance for medical cannabis for qualifying patients.

Your Committee on Conference finds that Act 230, Session Laws of Hawaii 2016, established a legislative oversight group, which is responsible for developing and recommending legislation to improve the state medical cannabis dispensary system to ensure that qualifying patients have safe and legal access to cannabis. Due to the complexity of the issues surrounding health insurance reimbursement for medical cannabis, your Committee on Conference further finds that the establishment of a separate, more narrowly focused working group, dedicated to tackling the difficult issues raised by health insurance reimbursement for medical cannabis, and to be assisted by the Legislative Research Bureau, is necessary.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the Legislative Research Bureau shall provide assistance to the working group, including research and drafting assistance; and
- (2) Making it effective upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2488, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2488, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Mizuno, Takumi, Kobayashi and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Takumi).

Conf. Com. Rep. 14-18 on S.B. No. 202

The purpose of this measure is to:

- (1) Establish specific quorum and voting requirements for service area boards on mental health and substance abuse; and
- (2) Specify that service area boards on mental health and substance abuse shall fall within the Department of Health for administrative purposes.

Your Committee on Conference finds that it is important that service area boards on mental health and substance abuse are able to deliberate and make decisions on issues affecting each county. Your Committee on Conference further finds that many of the service area boards face challenges holding meetings due to lack of quorum and that defining quorum based on the number of currently appointed members, instead of based on the number of members to which each board is entitled, will better enable service area boards to meet quorum requirements.

Your Committee on Conference has amended this measure by inserting an effective date of July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 202, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 202, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Mizuno, San Buenaventura and Tupola.
Managers on the part of the House.
Ayes, 2. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 15-18 on S.B. No. 203

The purpose of this measure is to:

- (1) Establish specific membership, quorum, and voting requirements for the State Council on Mental Health; and
- (2) Specify that the State Council on Mental Health shall fall within the Department of Health for administrative purposes.

Your Committee on Conference finds that the State Council on Mental Health must be able to deliberate and make decisions on issues affecting persons in the community who live with mental illness. Your Committee on Conference further finds that the Council was unable to meet twice during fiscal year 2017 due to lack of quorum. Your Committee on Conference further finds that defining quorum based on the number of currently appointed members, instead of based on the number of members to which the Council is entitled, will better enable the Council to meet quorum requirements.

Your Committee on Conference has amended this measure by making it effective upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 203, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 203, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Mizuno, San Buenaventura and Tupola.
Managers on the part of the House.
Ayes, 2. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 16-18 on S.B. No. 2247

The purpose of this measure is to authorize pharmacists to prescribe and dispense opioid antagonists to:

- (1) An individual who is a risk for an opioid overdose; or
- (2) A family member or caregiver of an individual who is at risk of an opioid overdose,

regardless of whether the individual has evidence of a previous prescription for an opioid antagonist from a practitioner authorized to prescribe opioids and without the need for a written, approved collaborative agreement.

Your Committee on Conference finds that the nationwide opioid epidemic continues to result in an alarming number of opioid overdose related deaths. Your Committee on Conference further finds that these deaths are often preventable via timely administration of an opioid antagonist, such as naloxone. Your Committee on Conference also finds that pharmacists are well-situated to provide education about and access to opioid antagonists. Your Committee on Conference also notes that this measure addresses objectives outlined in the Hawaii Opioid Action Plan pertaining to prevention and pharmacy-based interventions.

Your Committee on Conference has amended this measure by:

- (1) Reverting to language used in the S.D. 1 version to allow opioid antagonists to be prescribed and dispensed in the name of the individual who is to be treated or an "Opioid Antagonist Recipient" or "OAR";
- (2) Making it effective upon approval; and
- (3) Removing the sunset date.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2247, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2247, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 17-18 on S.B. No. 2258

The purpose of this measure is to:

- (1) Clarify that the licensing requirements for hearing aid dealers and fitters shall not apply to audiologists licensed pursuant to chapter 468E, Hawaii Revised Statutes; and
- (2) Clarify that to be eligible for licensure as an audiologist, a person shall not be required to also be licensed as a hearing aid dealer and fitter under chapter 451A, Hawaii Revised Statutes.

Your Committee on Conference finds that under existing law, audiologists must be licensed as an audiologist under chapter 468E, Hawaii Revised Statutes, and as a hearing aid dealer and fitter under chapter 451A, Hawaii Revised Statutes. However, this dual licensure requirement is redundant and burdensome for audiologists, as licensed audiologists must complete a rigorous academic study and clinical training that far exceeds the education and training requirements for hearing aid dealers and fitters and pass a licensure examination that tests items that are equivalent to or higher than the test items on the hearing aid dealers and fitters licensure examination.

Your Committee on Conference further finds that because audiologist licensing requirements surpass the requirements for licensure as a hearing aid dealer and fitter, not requiring audiologists to hold a second license as a hearing aid dealer and fitter will not result in consumer harm. This measure therefore clarifies that licensed audiologists are not required to also be licensed as a hearing aid dealer and fitter to practice in the State.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2258, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2258, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Mizuno, Ohno, Takumi, Ito and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Ito).

Conf. Com. Rep. 18-18 on S.B. No. 2799

The purpose of this measure is to clarify the scope of practice for licensed dental hygienists practicing in a public health setting.

Your Committee on Conference finds that oral health is a critical component of a person's general health and well-being. Poor oral health can adversely affect a person's overall health and negatively impact a person's ability to eat, speak, learn, work, and communicate. Improving oral health in the State involves many key strategies, including preventative dental care, which emphasizes the importance of ongoing hygiene procedures and daily practices to prevent tooth decay and other dental diseases and conditions.

Your Committee on Conference further finds that this measure increases accessibility of preventative dental care by expanding the public health settings in which dental hygienists may provide care and broadening the services that can be performed by licensed dental hygienists in public health settings, while also holding the supervising licensed dentist responsible for procedures performed by the dental hygienist. This measure therefore reduces barriers to oral health care and supports and promotes expanded access to dental services for underserved and vulnerable populations in public health settings.

Your Committee on Conference has amended this measure by changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2799, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2799, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Mizuno, Ohno, Kobayashi, Tokioka and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 2 (Tokioka, Tupola).

Conf. Com. Rep. 19-18 on S.B. No. 2340

The purpose of this measure is to ensure certain benefits under the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act) are preserved under Hawaii law, including:

- (1) Extending dependent coverage for adult children up to twenty-six years of age;
- (2) Prohibiting health insurance entities from imposing a preexisting condition exclusion; and
- (3) Prohibiting health insurance entities from using an individual's gender to determine premiums or contributions.

Your Committee on Conference finds that the Affordable Care Act has resulted in an estimated 20,000,000 Americans gaining health insurance coverage, while nationwide, the rate of uninsured Americans has decreased by nearly forty percent or more for every income group. Your Committee on Conference further finds that in addition to expanding coverage and improving medical care among young

adults and low-income adults, the Affordable Care Act also established important protections for all Americans, in particular women and individuals with pre-existing conditions.

However, your Committee on Conference notes that the future of the Affordable Care Act remains uncertain. This measure therefore ensures that certain benefits established by the Affordable Care Act, and which may not otherwise be available under the Hawaii Prepaid Health Care Act, including extending dependent coverage for adult children up to twenty-six years of age, preventing denial of coverage for preexisting conditions, and prohibiting health insurance entities from using a person's gender when determining premiums or contributions, remain available for Hawaii residents.

Your Committee on Conference has amended this measure by:

- (1) Removing as unnecessary language that would have provided an exclusion for limited benefit health insurance, as existing law already specifies that the benefits extended by this measure do not apply to limited benefit health insurance;
- (2) Changing its effective date to upon approval; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2340, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2340, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 20-18 on H.B. No. 2033

The purpose of this measure is to authorize service of summons on nonresident property owners for actions involving the real property owned by the nonresident through a summons mailed to the mailing address on record with the real property tax office in the county in which the property is located.

Your Committee on Conference has amended this measure by changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2033, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2033, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Kim and Rhoads.
Managers on the part of the Senate.
Ayes, 2. Noes, none. Excused, 1 (Rhoads).

Representatives Takumi, San Buenaventura and McDermott.
Managers on the part of the House.
Ayes, 2. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 21-18 on H.B. No. 1602

The purpose of this measure is to require:

- (1) The inclusion of a label warning of the risks of addiction and overdose on the packaging of any opioid drug dispensed by a health care professional or pharmacist; and
- (2) A health care professional or pharmacist to include the warning in an acknowledgment signed by the patient or person receiving the opioid drug for the patient.

Your Committee on Conference has amended this measure by:

- (1) Placing the new section in Chapter 329, Uniform Controlled Substances Act, instead of Chapter 329E, Overdose Prevention and Emergency Response Act;
- (2) Changing the proposed warning to read, "Caution: Opioid. Risk of overdose and addiction.";
- (3) Removing the requirement for health care professionals and pharmacists to provide a written acknowledgment signed by the health care professional or pharmacist, and the patient or person receiving the opioid drug for the patient, prior to dispensing of the opioid drug;
- (4) Changing the effective date to upon approval; provided that the warning label requirement is implemented commencing August 1, 2018; and
- (5) Making technical, nonsubstantive amendments for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1602, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1602, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Ruderman and Tokuda.

Managers on the part of the Senate.

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

Representatives Mizuno, Takumi, Learmont and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 22-18 on H.B. No. 1716

The purpose and intent of this measure is to:

- (1) Establish a Youth Commission within the Office of Youth Services to advise the Governor and Legislature on policies affecting youth in the State; and
- (2) Appropriate funds to the Office of Youth Services to staff and administer the Youth Commission.

Your Committee on Conference has amended this measure by:

- (1) Specifying an appropriation amount of \$81,416 for fiscal year 2018-2019 for one staff position and administrative expenses of the Youth Commission; and
- (2) Changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1716, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1716, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Shimabukuro and Chang.

Managers on the part of the Senate.

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

Representatives Mizuno, Kobayashi, Learmont and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 23-18 on H.B. No. 2106

The purpose of this measure is to require the Environmental Council to adopt and maintain rules requiring that environmental assessments and environmental impact statements include consideration of sea level rise based upon the best available scientific data regarding sea level rise.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2106, H.D. 3, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2106, H.D. 3, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Rhoads and English.

Managers on the part of the Senate.

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

Representatives Lee, Ing, Lowen, Gates, Quinlan and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 24-18 on H.B. No. 694

The purpose and intent of this measure is to:

- (1) Establish and appropriate funds for the Health Analytics Program, including four full-time equivalent (4.0 FTE) positions, within the Med-QUEST Division of the Department of Human Services; and
- (2) Authorize the Health Analytics Program to maintain healthcare related data, including an all-payers medical claims database, and an encompassing data center to collect and analyze healthcare data for the benefit of consumers, providers, purchasers, and policy-makers.

Your Committee on Conference has amended this measure by:

- (1) Specifying a general fund appropriation of \$703,980 for the establishment and operation of the Health Analytics Program, including 1.2 full-time equivalent (FTE) positions, within the Med-QUEST Division of the Department of Human Services;

- (2) Specifying a federal fund appropriation of \$495,120 for the Health Analytics Program, including a 0.8 FTE position within the Med-QUEST Division of the Department of Human Services;
- (3) Changing the effective date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 694, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 694, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Shimabukuro, Chang and Wakai.

Managers on the part of the Senate.

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

Representatives Mizuno, Kobayashi, Learmont and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 25-18 on H.B. No. 2694

The purpose of this measure is to require the Department of Health to furnish certified copies of birth certificates to homeless individuals free of charge, provided that the individual's homeless status is verified by a homeless service provider.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2694, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2694, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Baker, Shimabukuro and Espero.

Managers on the part of the Senate.

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

Representatives Mizuno, Kobayashi, Gates and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 26-18 on H.B. No. 2144

The purpose of this measure is to require the Department of Public Safety to inform inmates who have one year or less remaining before their parole or release date of the availability of assistance in securing or verifying Medicaid eligibility.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2144, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2144, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Green and Galuteria.

Managers on the part of the Senate.

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

Representatives Mizuno, Takayama, Kobayashi and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 27-18 on H.B. No. 2169

The purpose of this measure is to appropriate funds to the Department of Health to support youth suicide early intervention, prevention, and education initiatives in Maui County.

Your Committee on Conference has amended this measure by:

- (1) Specifying the appropriation amount to be \$25,000; and
- (2) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2169, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2169, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Kidani and Nishihara.

Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Mizuno, Kobayashi, Learmont and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 28-18 on S.B. No. 2519

The purpose of this measure is to authorize the Agribusiness Development Corporation to enter into contracts with private businesses to remove select municipal solid waste, glass, and food and green waste from the waste stream for use in other business sectors, including agriculture, construction, and energy production.

Your Committee on Conference finds that as the State's economy continues to grow, it is critical that innovative processes are applied to the recycling sector to reduce the pressure on the State's environment and to capture as much value as possible to support local business sectors. The Agribusiness Development Corporation, in its role of developing agriculture initiatives, is uniquely positioned to implement existing and emerging technology toward the goal of optimizing value from waste streams for agricultural uses. Your Committee on Conference finds that reducing solid waste and reusing municipal solid waste, glass, and food and green waste is something all sectors of the government should be championing.

Your Committee on Conference has amended this measure by:

- (1) Changing the effective date to upon approval; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2519, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2519, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Lee, Creagan, Cullen, Lowen and Matsumoto.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 29-18 on S.B. No. 2766

The purpose of this measure is to reduce and control the unfunded liability of the Employee's Retirement System (ERS) and to prevent future retirement contribution increases by clarifying that accidental death and service-related disability benefits are limited to members who are employed in a position in which all contributions were made as required by the laws relating to the ERS.

Your Committee on Conference finds that as a trust fund, ERS assets are for the exclusive benefit of its members and beneficiaries. The Supreme Court of Hawaii issued a memorandum of opinion on July 10, 2017, on an appeal of a decision by the ERS Medical Board. The Court found that section 88-21, Hawaii Revised Statutes, defines "service" to include any "service as an employee paid by the State or county", and found additional language that indicates that "connected" service includes non-ERS-membership state or county service, as long as the member makes ERS contributions during the non-ERS-membership state or county service. Separately defined is "membership service" as "all service rendered by a member for which the member had made the required contributions to the system". The Court made the distinction between "service" and "membership service" and noted that section 88-79, Hawaii Revised Statutes, provides for "service-connected disability retirement" and not "membership service-connected disability retirement". Based on this opinion, it may be construed that "service" includes persons working in governmental functions paid by the State or a county who are not members of the ERS. This measure clarifies that benefits related to service-connected disability and accidental death benefits are limited to members who are beneficiaries of the trust.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2766, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2766, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 30-18 on S.B. No. 2767

The purpose of this measure is to repeal certain provisions relating to a member's purchase of additional service credits by pre-tax contributions to ensure that the Employees' Retirement System maintains its status as a tax-qualified retirement plan under the Internal Revenue Code.

Your Committee on Conference finds that the Employees' Retirement System is intended to be a tax-qualified retirement plan under section 401(a) of the Internal Revenue Code. Your Committee on Conference also finds that Act 86, Session Laws of Hawaii 2015, prospectively changes the cost to purchase membership service after June 30, 2020. However, the Employees' Retirement System tax counsel has concluded that the change in purchase cost allows for greater pre-tax retirement contributions than had been approved by the Internal Revenue Service. Your Committee on Conference further finds that this measure makes amendments necessary to maintain the tax-qualified status of the Employees' Retirement System.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2767, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2767, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 31-18 on S.B. No. 2487

The purpose of this measure is to:

- (1) Amend the definition of "quality assurance committee" to make it consistent throughout the Hawaii Revised Statutes (HRS) for the purpose of liability protection; and
- (2) Allow for the establishment of a quality assurance committee outside of a single health plan or hospital.

Your Committee on Conference finds that while quality assurance committees are an important and established part of the healthcare delivery system, the term "quality assurance committee" has two separate, inconsistent definitions in the HRS. One definition applies to chapter 624, HRS, relating to depositions and discovery, while the other definition applies to chapter 663, HRS, relating to tort actions. Further, quality assurance committees established under chapter 624, HRS, may be established outside of a single health plan or hospital, whereas quality assurance committees established under chapter 663, HRS, may not. Your Committee on Conference finds that this measure will correct this inconsistency and provide quality assurance committees established under chapters 624 and 663, HRS, with the same confidentiality and liability protections.

Your Committee on Conference has amended this measure by making it effective upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2487, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2487, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 32-18 on S.B. No. 2945

The purpose of this measure is to eliminate the requirement that the applicant for a liquor license or renewal of a license, or in the case of transfer of a liquor license, both the transferor and the transferee, produce either a tax clearance certificate from the Internal Revenue Service or proof of entering into an installment plan agreement with the Internal Revenue Service.

Your Committee on Conference finds that under existing law, all liquor license applicants and those renewing their licenses are required to submit tax clearances from the Hawaii Department of Taxation and the Internal Revenue Service. Your Committee on Conference further finds that the Internal Revenue Service has faced increasing budgetary and resource challenges over the past few years, which has resulted in the decrease of Internal Revenue Service offices, personnel, and operating hours in Hawaii. Consequently, liquor licensees and applicants throughout the State have experienced increasing difficulties obtaining the necessary tax clearance from the Internal Revenue Service, with some licensees experiencing breaks in service due to the inability of the Internal Revenue Service to accommodate required face-to-face appointments with licensees. This measure therefore removes the requirement for liquor licensees and applicants and transferors or transferees to obtain a tax clearance from the Internal Revenue Service, which will eliminate the undue hardships, costs, and delays currently experienced by many liquor licensees and applicants.

Your Committee on Conference has amended this measure by changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2945, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2945, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 33-18 on S.B. No. 208

The purpose of this measure is to:

- (1) Adopt the National Conference of Insurance Legislators' Model Unclaimed Life Insurance Benefits Act, which requires life insurers to conduct database searches using the federal Social Security Administration's Death Master File or similar database to determine whether an insured has died;
- (2) Require life insurers to use good faith efforts to locate any beneficiaries to a policy, contract, or retained asset account; and
- (3) Authorize the Insurance Commissioner to use discretion to limit, exempt, or phase-in compliance with requirements under certain circumstances.

Your Committee on Conference finds that the National Conference of Insurance Legislators' Model Unclaimed Life Insurance Benefits Act provides a foundation for insurers to use the Social Security Administration Death Master File to obtain notice of death of an insured in the absence of a claim and search for beneficiaries within ninety days. Your Committee on Conference further finds that this measure establishes requirements, based on a national standard of consumer protection, for locating life insurance beneficiaries and enables timely compliance by all life insurers for consumers in the State.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that failure to meet any requirements with such frequency as to constitute a general business practice shall constitute an unfair or deceptive act or practice under Article 13 of the Insurance Code, rather than making a single violation an unfair or deceptive act or practice; and
- (2) Changing its effective date to upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 208, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 208, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 34-18 on S.B. No. 2490

The purpose of this measure is to:

- (1) Specify certain recall reimbursement or repair requirements for manufacturers where a stop-sale order has been issued;
- (2) Authorize a license holder to engage in business at motor vehicle dealer locations that are affiliated by common ownership under the same license;
- (3) Clarify when certain manufacturers' or distributors' sales or service performance standards shall be deemed unreasonable, arbitrary, or unfair; and
- (4) Prohibit a manufacturer or distributor from requiring a dealer to perform certain construction or renovations to the dealer's facilities; purchase items for a dealership facility in certain circumstances; or provide certain consumer and proprietary data, unless certain conditions are met.

Your Committee on Conference finds that this measure modernizes the State's motor vehicle industry licensing laws by: specifying recall reimbursement or repair requirements for manufacturers where a stop-sale order has been issued; allowing a licensed motor vehicle dealer to engage in business at multiple locations affiliated by common ownership within the same county; and clarifying the rights and obligations of dealers, manufacturers, and distributors with respect to improvements and upgrades on dealers' facilities, dealers' sales and service performance standards, and access to dealers' consumer and proprietary data.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the applicability of certain recall reimbursement and repair requirements includes those used vehicles taken into the used vehicle inventory of a dealer as a result of a consumer trade-in incident to the purchase of a certified pre-owned used vehicle;
- (2) Specifying that for purposes of determining eligibility for recall repairs, a manufacturer may direct the manner and method in which a dealer demonstrates the inventory status of an affected used motor vehicle; provided that the manner and method and information requested is not unduly burdensome;

- (3) Clarifying the requirements associated with improvements to a dealer's facilities, including:
 - (A) Clarifying the obligations of a manufacturer or distributor when a dealer chooses not to make facility improvements or technological upgrades, rather than specifying when a dealer is not eligible for facility-related incentives or benefits;
 - (B) Clarifying the term "substantial alteration";
 - (C) Clarifying the requirements for an incentive program under which a dealer completes a facility construction, renovation, or substantial alteration; and
 - (D) Clarifying when dealer eligibility for facility-related incentives does not apply;
- (4) Clarifying performance standard requirements when determining a dealer's compliance with a franchise agreement;
- (5) Specifying that a manufacturer or distributor is permitted to require a dealer to provide consumer data and propriety data that pertains to analytics or for reasonable marketing purposes for the benefit of the providing dealer;
- (6) Changing its effective date to July 1, 2018; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2490, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2490, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 35-18 on S.B. No. 2783

The purpose of this measure is to align the Hawaii Public Housing Authority's prohibition on smoking law with the smoke-free policy of the United States Department of Housing and Urban Development (HUD). Specifically, this measure increases, from twenty to twenty-five feet:

- (1) The smoke-free zone around certain areas and buildings, including administrative office buildings, of any public housing project, elder or elderly housing, or state low-income housing project; and
- (2) The minimum setback for designated smoking areas.

Your Committee on Conference finds that secondhand smoke contains more than seven thousand chemicals, hundreds of which are toxic, and approximately seventy of which can cause cancer, and that exposure to thirdhand smoke, which is residual nicotine and other chemicals left on indoor surfaces by tobacco smoke, may also pose health threats, especially to infants and young children who may mouth and touch affected objects and surfaces. Your Committee on Conference finds that, accordingly, HUD instituted its final rule, effective February 3, 2017, requiring public housing agencies to implement a smoke-free policy by July 30, 2018, that establishes a twenty-five foot smoke-free radius around public housing units and administrative office buildings. Your Committee on Conference finds that this measure may help protect residents of public housing and others in the vicinity of public housing administrative buildings from secondhand and thirdhand smoke and will bring Hawaii statutes into conformity with HUD's smoke-free policy.

Your Committee on Conference has amended this measure by making it effective upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2783, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2783, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Espero, Chang, Ihara and Tokuda.
Managers on the part of the Senate.
Ayes, 5. Noes, none. Excused, none.

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

Conf. Com. Rep. 36-18 on S.B. No. 2567

The purpose of this measure is to:

- (1) Establish a Cesspool Conversion Working Group (Working Group) within the Department of Health (DOH) to develop a comprehensive plan for cesspool conversion statewide by 2050;
- (2) Commission and appropriate funds for the University of Hawaii (UH) Water Resources Research Center, in cooperation with DOH, to perform a statewide study of sewage contamination in nearshore marine areas; and

- (3) Appropriate funds to DOH to conduct research or gather technical assistance on other issues as identified by the Working Group in completing its comprehensive cesspool conversion plan.

Your Committee on Conference finds that drinking water, public recreation, and the precious coral reefs, on which Hawaii's economy, shoreline, recreation, fisheries, and native species depend, has been impaired by cesspool pollution and are in imminent damage of further damage. Your Committee on Conference further finds that costs, terrain, and other geologic and geographic factors complicate the upgrading or conversion of cesspools in many areas of the State. Your Committee on Conference therefore finds that it is best to convene a Working Group representative of various stakeholders to address this complex issue.

Your Committee on Conference has amended this measure by:

- (1) Clarifying the objectives of the Working Group;
- (2) Deleting the fifteen-year time frame the Working Group would have considered in making recommendations for the DOH to ensure cesspool conversions;
- (3) Revising the membership of the Working Group;
- (4) Allowing the Working Group to contract for services to establish a cesspool conversion plan and exempting the contract from the Hawaii Public Procurement Code;
- (5) Updating the preamble;
- (6) Inserting an appropriation amount of \$500,000 for the UH Water Resources Research Center, in cooperation with DOH, to perform a statewide study of sewage contamination in nearshore marine areas;
- (7) Inserting an appropriation amount of \$1,000,000 for the DOH to conduct research or gather technical assistance on other issues as identified by the Working Group in completing its comprehensive cesspool conversion plan;
- (8) Changing the effective date to July 1, 2018; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2567, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2567, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Baker, English and Riviere.

Managers on the part of the Senate.

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

Representatives Lee, Mizuno, Lowen, Keohokalole and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 2 (Mizuno, McDermott).

Conf. Com. Rep. 37-18 on H.B. No. 2748

The purpose of this measure is to require, and appropriate funds to, the Hawaii Housing Finance and Development Corporation to study housing waitlists in the State and in each county to gain a better understanding of the current and future demand for and supply of affordable housing suitable for individuals with access and functional needs.

Your Committee on Conference finds that the State needs a comprehensive housing measure that takes a momentous step forward in addressing the statewide affordable rental housing crisis. Your Committee further finds that increasing the available funding in the Rental Housing Revolving Fund and Dwelling Unit Revolving Fund, expanding the general excise tax exemption for the construction of affordable rental units, and studying the current and future needs for rental housing are policies to proactively address Hawaii's housing crisis.

In addition, your Committee finds that:

- (1) The Rental Housing Revolving Fund provides equity gap low-interest loans or grants to qualified owners and developers for the development, pre-development, construction, acquisition, or preservation of affordable rental housing. The appropriation contained in this measure will more than double the Revolving Fund's capacity to provide low-income and working families with quality affordable housing;
- (2) The Dwelling Unit Revolving Fund provides interim construction financing of affordable housing projects, including construction of community facilities and necessary infrastructure to support housing development, and mitigates the cost to the State of housing development;
- (3) An expansion of the general excise tax exemption for construction of affordable rental units will spur the creation of more affordable housing and is expected to result in the construction of 24,000 new affordable rental units; and
- (4) An assessment of housing needs for persons with low or no income and functional barriers to successfully maintain stable housing will allow policy makers to make informed policy decisions in the creation of appropriate affordable housing and provision of supportive services.

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

- (1) Appropriating \$200,000,000 into the Rental Housing Revolving Fund;

- (2) Appropriating \$10,000,000 into the Dwelling Unit Revolving Fund;
- (3) Increasing the aggregate available amount of the general excise tax exemption for costs of developing affordable rental housing from \$7,000,000 per year to \$30,000,000 per year, and extending availability of the exemption for an additional eight years to 2030; and
- (4) Appropriating \$50,000 to the Hawaii Housing Finance and Development Corporation to prepare an assessment of housing needs for persons with significant access and functional barriers and available supportive services.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2748, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2748, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Brower, Mizuno, Nakamura, Gates, Hashem, Todd and McDermott.
Managers on the part of the House.
Ayes, 6. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 38-18 on H.B. No. 2359

The purpose of this measure is to:

- (1) Specify the areas in a public housing project, elder or elderly housing, or state low-income housing project that are closed to the public and signage requirements for these areas; and
- (2) Clarify that a person commits criminal trespass in the second degree if the person enters or remains:
 - (A) Unlawfully in areas of a housing project that are closed to the public; or
 - (B) In violation of a written warning or request to leave the housing project.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2359, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2359, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 39-18 on H.B. No. 1876

The purpose of this measure is to allow motor vehicle insurers to satisfy the requirement that insurers provide a complete sales and claims office in the State by allowing the insurer's licensed producer to establish and maintain a sales and claims office on every island the insurer does business.

Your Committee has amended this measure by:

- (1) Clarifying that licensed producers of a motor vehicle insurer that establish and maintain an office in every county, rather than on every island, the insurer does business meet the requirement for an insurer to provide a complete sales and claims office in the State; and
- (2) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1876, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1876, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Takumi, Cullen, Ichiyama and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 40-18 on H.B. No. 1874

The purpose of this measure is to encourage alternative dispute resolution by, temporarily, until June 30, 2023:

- (1) Expanding the scope of the Condominium Education Trust Fund to cover voluntary binding arbitration; and
- (2) Amending the conditions that mandate mediation and exceptions to mandatory mediation for condominium related disputes.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to January 2, 2019;
- (2) Specifying that sections 514B-71(a), 514B-72(a), and 514B-161, Hawaii Revised Statutes, shall be reenacted in the form in which they read on January 1, 2019, upon this measure's repeal on June 30, 2023; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1874, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1874, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Takumi, Cullen, Ichiyama and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 41-18 on H.B. No. 1873

The purpose of this measure is to clarify the effect of a payment plan to resolve a nonjudicial foreclosure, including payment obligations, mediation requirements, and triggers for further default. This measure further clarifies the procedures for disputing common expense assessments and disputing penalties or fines, late fees, legal fees, lien filing fees, or other charges.

Your Committee on Conference has amended this measure by:

- (1) Inserting a sunset date of June 30, 2020; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1873, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1873, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 42-18 on H.B. No. 1621

The purpose of this measure is to increase consumer protections by:

- (1) Prohibiting a merchant from charging a purchaser any fee, including a processing fee or an administrative fee, to repair, replace, or refund damaged or defective goods; and
- (2) Requiring restaurant franchisees to disclose their non-participation in promotions or discounts under a national advertising campaign of the franchise and prohibiting franchisors from limiting or restricting these disclosures.

Your Committee has amended this measure by:

- (1) Specifying that the mandate for disclosure of non-participation in a national advertising campaign only applies to high turnover restaurants that are part of a national chain and feature full sit-down table service by waitstaff;
- (2) Specifying that "high turnover restaurant" does not include a fast food restaurant;
- (3) Inserting a sunset date of July 1, 2023 for the mandate for disclosure of non-participation in a national advertising campaign by high turnover restaurants; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1621, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1621, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Takumi, Ichiyama and McDermott.
Managers on the part of the House.
Ayes, 2. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 43-18 on H.B. No. 2003

The purpose of this measure is to clarify that an individual who is subject to driver's license revocation as a penalty for driving while intoxicated may obtain a permit to drive a vehicle that does not have an ignition interlock device solely for purposes of employment based on the actual work hours during which the individual is required to drive, instead of on the length of the individual's scheduled work shift.

Your Committee on Conference has amended this measure by changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2003, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2003, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Taniguchi, Espero and Kim.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, none.

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

Conf. Com. Rep. 44-18 on H.B. No. 2328

The purpose of this measure is to make certain clarifying amendments to Hawaii's affordable housing law. Specifically, the measure clarifies:

- (1) The terms and applicability of the Hawaii Housing Finance and Development Corporation's (HHFDC) authority to exercise or transfer to a qualified nonprofit housing trust the first option to purchase affordable housing units developed with HHFDC's financing or assistance; and
- (2) That Act 159, Session Laws of Hawaii 2017, does not affect rights, duties, and obligations that have matured through a signed contract or disclosure by way of a preliminary offering statement filed with the Real Estate Commission before the Act's effective date.

Your Committee on Conference has amended this measure to make it effective upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2328, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2328, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 45-18 on H.B. No. 2182

The purpose of this measure is to repeal the Carbon Farming Task Force established by Act 33, Session Laws of Hawaii 2017, and permanently establish the Greenhouse Gas Sequestration Task Force, which will examine opportunities to utilize carbon sequestration to protect public health and help align the State's clean energy and carbon sequestration goals with the State's climate goals.

Your Committee on Conference has amended this measure by:

- (1) Requiring the Greenhouse Gas Sequestration Task Force to:
 - (A) Additionally identify appropriate criteria to measure increases in agricultural and aquacultural product yield and quality attributable to greenhouse gas sequestration and improvements in soil health; and
 - (B) Include in its preliminary report to the Legislature types of agricultural and aquacultural practices, public land and marine use policies, and on-farm managing practices and types of incentives, grants, research, and assistance that result in tangible economic benefits to agricultural and aquacultural operations;

- (2) Statutorily establishing a statewide target to sequester more atmospheric carbon and greenhouse gases than emitted within the State as quickly as practicable but no later than 2045, and requiring the Hawaii Climate Change Mitigation and Adaptation Commission to endeavor to achieve the target;
- (3) Requiring that after January 1, 2020, agency plans, decisions, and strategies shall give consideration on their impact on the State's ability to achieve the statewide zero emissions target, weighed appropriately against their primary purpose;
- (4) Inserting an appropriation amount of \$150,000 for fiscal year 2018-2019 to fund the Greenhouse Gas Sequestration Task Force and its related efforts;
- (5) Changing its effective date to July 1, 2018; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2182, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2182, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Inouye and English.

Managers on the part of the Senate.

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

Representatives Lee, Lowen, Gates and McDermott.

Managers on the part of the House.

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

Conf. Com. Rep. 46-18 on H.B. No. 634

The purpose of this measure is to authorize the issuance of special purpose revenue bonds to the Honolulu Board of Water Supply to upgrade Nuuanu Reservoir #1 to meet state dam safety standards, as part of the Nuuanu Hydroelectricity Project.

Your Committee on Conference has amended this measure by:

- (1) Changing the amount of the special purpose revenue bond authorization to \$4,800,000; and
- (2) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 634, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 634, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Rhoads and English.

Managers on the part of the Senate.

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

Representatives Lee, Yamane, Lowen, Kong and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 2 (Yamane, McDermott).

Conf. Com. Rep. 47-18 on H.B. No. 635

The purpose of this measure is to authorize the issuance of special purpose revenue bonds to the Honolulu Board of Water Supply to upgrade Nuuanu Reservoir #4 to meet state dam safety standards, as part of the Nuuanu Hydroelectricity Project.

Your Committee on Conference has amended this measure by:

- (1) Changing the amount of the special purpose revenue bond authorization to \$6,400,000; and
- (2) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 635, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 635, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Rhoads and English.

Managers on the part of the Senate.

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

Representatives Lee, Yamane, Lowen, Kong and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 2 (Yamane, McDermott).

Conf. Com. Rep. 48-18 on H.B. No. 2025

The purpose of this measure is to:

- (1) Authorize the Department of Education (DOE) to issue grants and appropriate funds to establish a Composting Grant Pilot Project in DOE schools; and
- (2) Authorize the establishment of a Composting Grant Pilot Project Working Group to develop guidelines and provide oversight for campus composting in conjunction with the Department of Health.

Your Committee on Conference has amended this measure by:

- (1) Specifying that \$300,000 be appropriated to establish and implement the Composting Grant Pilot Project; and
- (2) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2025, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2025, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 49-18 on S.B. No. 2298

The purpose of this measure is to incentivize volunteer preceptors who offer professional instruction, training, and supervision to students and residents seeking careers as healthcare providers by:

- (1) Providing a tax credit to volunteer preceptors; and
- (2) Establishing a Preceptor Credit Assurance Committee to develop and implement the allocation and distribution of certifications for the tax credit.

Your Committee on Conference finds that there is a shortage of primary care providers in the State which will be exacerbated by the projected retirements of current physicians, advanced practice registered nurses, and pharmacists. Your Committee on Conference further finds that although students are interested in pursuing careers in the healthcare service industry in Hawaii, in-state educational institutions are constrained by the lack of clinical education sites in Hawaii and the limited supply of qualified primary care preceptors. Your Committee on Conference further finds that one way to encourage participation of preceptors is to offer a tax credit for professionals who serve as preceptors.

However, your Committee on Conference also notes that the costs of this program may be high and uncertain. Accordingly, your Committee on Conference finds it prudent to offer the tax credit only to those primary care practitioners serving as preceptors for advanced practice registered nursing students, medical students, and pharmacy students at this time, limit the annual aggregate amount of tax credits that may be awarded to \$1,500,000, evaluate the effectiveness and cost of the tax credit, and then determine whether the tax credit should be expanded to preceptors for other valuable health care professions.

Your Committee on Conference has amended this measure by:

- (1) Reverting to the S.D. 2 version, which:
 - (A) Provides to healthcare professionals who volunteer as preceptors for advanced practice registered nursing students, medical students, and pharmacy students a tax credit of \$1,000 per rotation, up to a maximum of \$5,000 per taxable year, with an annual aggregate tax credit cap of \$2,000,000;
 - (B) Creates a Preceptor Credit Assurance Committee within the Department of Health to implement the tax credit program and certify the tax credit; and
 - (C) Requires the Department of Health to evaluate the efficacy of the tax credit and submit a report to the Legislature no later than June 30, 2024; and
- (2) Further amending this measure by:
 - (A) Deleting the requirement that eligible students be residents of Hawaii and deleting the definition of “resident of Hawaii”;
 - (B) Amending the definition of “primary care”; and
 - (C) Decreasing the annual aggregate amount of tax credits that may be certified in a taxable year to \$1,500,000.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2298, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2298, S.D. 2, H.D. 3, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, English, Nishihara, Ruderman and Tokuda.
Managers on the part of the Senate.
Ayes, 5. Noes, none. Excused, none.

Representatives Mizuno, Takumi, Luke, Kobayashi and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 50-18 on S.B. No. 2053

The purpose of this measure is to make permanent the regulation of athletic trainers under chapter 436H, Hawaii Revised Statutes.

Your Committee on Conference finds that athletic trainers are health care professionals who specialize in the prevention, assessment, treatment, and rehabilitation of injuries and illnesses of athletes. Your Committee on Conference notes that the existing regulatory scheme for athletic trainers is scheduled to sunset on June 30, 2018. A recent report from the Office of the Auditor found that the services an athletic trainer provides may affect the health and safety of athletes, while the proficiencies required by the current regulatory scheme are reasonably necessary to protect athletes under an athletic trainer's care. The Auditor's report also found that the current regulation of athletic trainers does not impose unreasonable restrictions on individuals entering the profession and recommends that the current registration requirement for athletic trainers be extended. This measure therefore makes permanent the regulation of athletic trainers in the interest of public health and safety.

Your Committee on Conference has amended this measure by changing its effective date to June 29, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2053, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2053, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 51-18 on S.B. No. 134

The purpose of this measure is to promote positive health practices and protect University of Hawaii students, employees, and visitors from exposure to secondhand smoke and other potentially harmful substances by prohibiting smoking, including the use of electronic smoking devices, and tobacco use on all University of Hawaii premises.

Your Committee on Conference finds that creating tobacco-free campuses, including prohibitions on the use of electronic smoking devices, is a growing trend in the United States. Your Committee on Conference further finds that establishing a tobacco-free policy on University of Hawaii premises will demonstrate Hawaii's continued commitment to healthy living and learning.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 134, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 134, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Kahele, Taniguchi, Nishihara and Tokuda.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 2 (Nishihara, Tokuda).

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

Conf. Com. Rep. 52-18 on H.B. No. 2373

The purpose of this measure is to:

- (1) Authorize the Department of Health (Department) to disclose certain vital statistics records to Department program employees for approved research purposes with the approval of the Department's Institutional Review Committee; and
- (2) Establish conditions under which those records may be disclosed with and without informed consent of a person who is the subject of a record.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2373, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2373, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Taniguchi, Ihara and Thielen.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, none.

Representatives Mizuno, San Buenaventura and Tupola.
Managers on the part of the House.
Ayes, 2. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 53-18 on H.B. No. 2362

The purpose of this measure is to exempt Department of Human Services' Administrative Appeals Hearing Officer positions from civil service requirements.

Your Committee on Conference has amended this measure by:

- (1) Inserting an effective date of July 1, 2018; and
- (2) Making technical, nonsubstantive amendments for clarity.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2362, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2362, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Tokuda, Shimabukuro and Ihara.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Tokuda).

Representatives Mizuno, Johanson, Kobayashi, Holt and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 54-18 on H.B. No. 2204

The purpose of this bill is to require the Department of Human Services, beginning no later than January 1, 2019, to:

- (1) Convene a task force to revise and restructure the welfare payment structure to incentivize qualifying welfare recipients to advance in their careers while retaining their beneficiary status; and
- (2) Reestablish the Exit and Retention Bonus Program to encourage welfare recipients to transition back into the workforce.

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

- (1) Deleting provisions requiring the Department of Human Services to convene the task force to revise and restructure the welfare payment structure;
- (2) Removing the time frame in which the Department of Human Services is required to reestablish the Exit and Retention Bonus Program;
- (3) Specifying an appropriation amount of \$400,000 for fiscal year 2018-2019 to reestablish the Exit and Retention Bonus Program;
- (4) Changing its effective date to July 1, 2018; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2204, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2204, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Tokuda, Shimabukuro and Ihara.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, none.

Representatives Mizuno, Johanson, Kobayashi, Ichiyama and Tupola.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 55-18 on S.B. No. 2087

The purpose of this measure is to provide civil liability exemptions for:

- (1) Any person who in good faith and without remuneration or expectation of remuneration attempts to rescue a person by using a rescue tube; and
- (2) Owners or operators of any premises, property, or facility adjacent to navigable waters where a rescue tube is located.

Your Committee on Conference finds that promoting the adoption and use of simple, life-saving devices, such as rescue tubes, is essential to protecting public health and welfare. Your Committee on Conference also finds that the strategic placement of rescue tubes throughout the State has led to countless rescues of drowning victims. Your Committee on Conference further finds that rescue tubes are a cost effective and valuable piece of life-saving equipment that are easy for ordinary citizens to use in assisting victims in need. Accordingly, your Committee on Conference finds that the widespread use of these devices should be encouraged. Therefore, your

Committee on Conference finds that the State's Good Samaritan Law should be amended to provide liability protection for owners and operators of a premises, property, or facility adjacent to navigable waters where rescue tubes are located and for citizens who might use these devices to assist in a life-threatening situation.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2087, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2087, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 56-18 on H.B. No. 1850

The purpose of this measure is to amend the offense of promoting pornography for minors by:

- (1) Clarifying that the exemption for guardians only applies to a legal guardian of a minor; and
- (2) Deleting the exemption for other persons in loco parentis to a minor.

Your Committee on Conference has amended this measure by changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1850, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1850, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 57-18 on H.B. No. 1852

The purpose of this measure is to amend the definition of "pornographic for minors" by clarifying that a material or performance does not have to appeal specifically to the minor's prurient interest in order to be found pornographic for minors.

Your Committee on Conference has amended this measure by changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1852, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1852, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 58-18 on H.B. No. 2133

The purpose of this measure is to specify that citizen administrative complaints against a police officer that involve allegations of domestic abuse by the police officer against a family or household member shall not be required to be filed as a notarized or sworn written statement.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2133, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2133, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Taniguchi, Rhoads and Thielen.
Managers on the part of the Senate.

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

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

Conf. Com. Rep. 59-18 on H.B. No. 2134

The purpose of this measure is to amend the offense of violation of privacy in the first degree to:

- (1) Prohibit threats to disclose an image or video;
- (2) Specifically include disclosures that are acts of revenge or retribution; and
- (3) Require that any recording or image that is the subject of the offense be sealed and remain confidential.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2018; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2134, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2134, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 60-18 on H.B. No. 2247

The purpose of this measure is to clarify that campaign advertisements broadcast, televised, circulated, published, distributed, or otherwise communicated by electronic or digital means are subject to campaign finance disclosure requirements.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2018; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2247, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2247, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Nishimoto, Morikawa, San Buenaventura and Thielen.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 61-18 on H.B. No. 2318

The purpose of this measure is to exempt certain records maintained by the Department of Hawaiian Home Lands and containing the personal information of beneficiaries from public inspection and permit the Department of Hawaiian Home Lands to hold an executive meeting closed to the public to discuss those records.

Your Committee on Conference has amended this measure by changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2318, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2318, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 62-18 on S.B. No. 2861

The purpose of this measure is to:

- (1) Require the Department of Public Safety to establish performance indicators or measures to be incorporated in reports that evaluate the outcomes of program components as required in Act 8, Special Session Laws of Hawaii 2007, which codified chapter 353G, Hawaii Revised Statutes, the Community Safety Act; and
- (2) Require the Department of Public Safety to submit annual reports of the established performance indicators, criminal offender treatment programs, and programs established pursuant to the Community Safety Act.

Your Committee on Conference finds that effective rehabilitation of incarcerated persons is essential for operating an effective corrections system. To that end, the Legislature passed Act 8, Special Session Laws of Hawaii 2007, which codified chapter 353G, Hawaii Revised Statutes, the Criminal Offender Treatment Act, which established a comprehensive offender reentry system under the purview of the Department of Public Safety. Part of that Act required that the Department submit annual reports relating to the implementation, progress, and effectiveness of the various program components specified in the Act. However, the annual reports submitted by the Department are not required to include information relating to rehabilitation program outcomes. To ensure the effectiveness of and make improvements to the Department's rehabilitation and reentry programs, it is important to track specific performance indicators and evaluate specific data relating to participation in the programs.

Your Committee on Conference has amended this measure by:

- (1) Requiring the Department of Public Safety to submit a report, including all of the key performance indicators provided under chapter 353G, Hawaii Revised Statutes, to the Legislature no later than the first day of December each year, beginning with the period ending on November 30, 2018;
- (2) Changing the effective date to upon approval; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2861, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2861, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Galuteria and Thielen.

Managers on the part of the Senate.

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

Representatives Takayama, Gates, Say and Thielen.

Managers on the part of the House.

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

Conf. Com. Rep. 63-18 on S.B. No. 2738

The purpose and intent of this measure is to require county police departments and the Department of Transportation to sanitize unclaimed electronic devices, in accordance with recognized standards and guidelines, before providing the unclaimed property to finders or disposing of the property by public auction or other means.

Your Committee on Conference finds that protecting individuals' sensitive personal information is important for maintaining public safety. The many personal electronic devices that individuals use may contain copious amounts of a device owner's personal information. When these devices are lost, the personal information contained therein is potentially accessible by others, thereby putting the owner at risk. Under existing law, some local and state agencies are required to return unclaimed property to the finder of that property after forty-five days. However, existing laws do not require the applicable local or state agency to take steps to protect any personal information contained within found electronic devices before returning them to a finder or disposing of the devices through public auction or other means. Therefore, your Committee on Conference finds that state law needs to be updated to keep pace with technology and reflect the need to protect personal information on unclaimed electronic devices.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2738, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2738, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Inouye and English.

Managers on the part of the Senate.

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

Representatives Takumi, Nishimoto, Cullen, Morikawa and McDermott.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 2 (Morikawa, McDermott).

Conf. Com. Rep. 64-18 on S.B. No. 2297

The purpose of this measure is to extend the sunset date of Act 65, Session Laws of Hawaii 2013 (Act 65), which provides a limited exemption to the licensing requirements for certain individuals in situations when an electric utility must retain qualified individuals to

work with high voltage (six hundred volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility.

Your Committee on Conference finds that in the event of a catastrophic occurrence requiring electrical workers who possess the level of skill required for high voltage work, Hawaii must import workers from the mainland since there are not enough electricians, splicers, and linemen in the State who are experienced and qualified to work with high voltage and who could respond in the event of a catastrophic occurrence or complex maintenance work affecting an electric utility. Your Committee on Conference further finds that Act 65 provides a limited exemption to the licensing requirements for certain individuals in situations when an electric utility must retain qualified individuals to work with high voltage (six hundred volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility; however, Act 65 sunsets on June 30, 2018. This measure extends the sunset date of Act 65 for five years, to June 30, 2023.

Your Committee on Conference has amended this measure by:

- (1) Replacing its contents with the contents of H.B. 1880, H.D. 3, S.D. 2, Regular Session of 2018, which was previously passed by both the House of Representatives and the Senate and which is substantially similar, except for the addition of language that requires the Board of Electricians and Plumbers to submit reports to the Legislature regarding high voltage electrical contractors;
- (2) Changing the effective date to June 29, 2018; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2297, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2297, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Johanson, Ohno, Takumi, Ichiyama, Ito and Ward.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 2 (Ito, Ward).

Conf. Com. Rep. 65-18 on S.B. No. 2851

The purpose of this measure is to amend various provisions of the Hawaii Revised Statutes and the Session Laws of Hawaii for the purposes of correcting errors and references, clarifying language, and deleting obsolete or unnecessary provisions.

Your Committee on Conference amended this measure by:

- (1) Changing the effective date from July 1, 2035, to upon approval; and
- (2) Making a technical nonsubstantive change for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2851, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2851, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Rhoads, Kim and Taniguchi.
Managers on the part of the Senate.
Ayes, 2. Noes, none. Excused, 1 (Kim).

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

Conf. Com. Rep. 66-18 on S.B. No. 2436

The purpose of this measure is to:

- (1) Require voluntary surrender of firearms and ammunition, upon disqualification from ownership, possession, or control, within seven business days of disqualification; and
- (2) Shorten the time period after failing to voluntarily surrender or dispose of all firearms and ammunition upon disqualification, after which the chief of police may seize all firearms and ammunition, from thirty days to seven business days.

Your Committee on Conference finds that removing firearms from those who are prohibited from having them is of utmost importance to protect the public. Currently, the law allows individuals who are disqualified from ownership, possession, or control of firearms and ammunition to keep those firearms and ammunition up to thirty days if they fail to voluntarily surrender them. Your Committee on Conference finds that this lengthy time period creates a significant risk to the public and should be shortened so that firearms and ammunition are quickly removed from those individuals who should not be possessing them.

Your Committee on Conference has amended this measure by:

- (1) Changing the time period in which a person is required to voluntarily surrender firearms and ammunition, upon disqualification from ownership, possession, or control, from within seven business days of disqualification to within seven days of disqualification;
- (2) Changing the time period after failing to voluntarily surrender or dispose of all firearms and ammunition upon disqualification, after which the chief of police may seize all firearms and ammunition, from seven business days to seven days; and
- (3) Changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2436, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2436, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 67-18 on H.B. No. 1906

The purpose of this measure is to include intentionally or knowingly causing bodily injury to:

- (1) A person who is engaged in the performance of duty at a health care facility as defined in section 323D-2, Hawaii Revised Statutes (HRS); or
- (2) A person who is engaged in providing home health care services as defined in section 431:10H-201, HRS,

in the acts punishable as assault in the second degree, a Class C felony offense.

Your Committee on Conference has amended this measure by:

- (1) Deleting its purpose section;
- (2) Amending the definition of "a person who is engaged in the performance of duty at a health care facility" to:
 - (A) Include additional persons who provide patient or health care services; and
 - (B) Exclude administrators, students, volunteers, and any other workers who support the functions of the health care facility;
- (3) Include intentionally or knowingly causing bodily injury to a person providing case management services through a mutual benefit society in a hospital, practitioner's office, or individual's home as an act subject to the offense of assault in the second degree;
- (4) Changing its effective date to upon its approval; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1906, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1906, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Taniguchi, Gabbard and Ihara.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, none.

Representatives Johanson, Mizuno, Nishimoto, Keohokalole and Matsumoto.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 68-18 on H.B. No. 2341

The purpose of this measure is to amend Act 263, Session Laws of Hawaii 2016 (Act 263), which established procedures for direct payment of Employees' Retirement System (ERS) benefits to a spouse or former spouse of an ERS beneficiary pursuant to a court order that allocates marital property, by:

- (1) Clarifying that Act 263 applies to the spouse or former spouse of a former ERS member with vested benefit status;
- (2) Amending the method of calculating and paying benefits to the spouse or former spouse from payment of an annuity based on the actuarial value of the member's or retirant's benefit to payment of a monthly amount based on the actual monthly payment to the retirant and the terms of the domestic relations order and specifying disposition of the benefit amount upon the death of either party;
- (3) Postponing the implementation of Act 263 from July 1, 2018, to July 1, 2020; and
- (4) Appropriating funds for fiscal year 2018-2019 for the planning and expenditures necessary to implement this measure.

Your Committee on Conference has amended this measure by:

- (1) Deleting the appropriation provision; and
- (2) Changing its effective date to upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2341, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2341, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 69-18 on H.B. No. 1768

The purpose of this measure is to permit the public inspection and duplication of salary ranges within \$15,000 increments, rather than exact compensation amounts, for legislative employees and members of all public employee bargaining units.

Your Committee on Conference has amended this measure by:

- (1) Specifying that the \$15,000 range applies only to the disclosure of compensation for legislative employees;
- (2) Deleting the application of salary range disclosure to all public employee bargaining units and preserving the current statutory application to bargaining unit (8) only;
- (3) Clarifying that "legislative employees" include legislative officers and legislative service agency directors, officers, and employees;
- (4) Changing its effective date to upon its approval; and
- (5) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1768, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1768, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Taniguchi, English, Keith-Agaran and Thielen.
Managers on the part of the Senate.
Ayes, 5; Ayes with Reservations (Taniguchi). Noes, none. Excused, none.

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

Conf. Com. Rep. 70-18 on H.B. No. 1520

The purpose of this measure is to provide consumer protections regarding limited-duration health insurance by:

- (1) Prohibiting an insurer from renewing or re-enrolling an individual in a limited-duration health insurance policy or contract if the individual was eligible to purchase health insurance through the federal health insurance marketplace during an open enrollment period or special enrollment period; and
- (2) Specifying that limited-duration health insurance shall be subject to the same provisions of the Insurance Code as applicable to limited benefit health insurance.

Your Committee on Conference has amended this measure by:

- (1) Including a proviso that any short-term, limited-duration health insurance coverage policy that is issued in the State shall include an expiration date in the contract that is less than 91 days;
- (2) Specifying that a short-term, limited-duration health insurance policy is for a limited duration of less than 91 days;
- (3) Making it effective upon its approval; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1520, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1520, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Espero and Ihara.

Managers on the part of the Senate.
Ayes, 2. Noes, none. Excused, 1 (Ihara).

Representatives Luke, Kobayashi and Ward.
Managers on the part of the House.
Ayes, 2. Noes, none. Excused, 1 (Ward).

Conf. Com. Rep. 71-18 on H.B. No. 2416

The purpose of this measure is to clarify how intangible property is treated under the State's general excise and use tax laws by clarifying that:

- (1) Intangible property used outside the State shall be exempt from the general excise tax; and
- (2) Intangible property acquired from an unlicensed seller and used in the State is subject to the use tax at a rate of four percent of the value of the property.

Your Committee on Conference has amended this measure by making it effective upon its approval and applicable to taxable years beginning after December 31, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2416, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2416, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 72-18 on S.B. No. 2013

The purpose of this measure is to require the Director of Transportation to adopt rules allowing an individual who has a letter from a licensed primary care provider certifying that a severe disability causes the individual to be homebound to renew a state identification card by means other than an in-person appearance.

Your Committee on Conference finds that it might be impossible for some individuals to renew their identification card because a severe disability prevents them from renewing their card in person. These individuals should not be denied identification cards solely because of their severe disability. Thus, providing an alternative to renewing identification cards in-person, if a primary care provider certifies that the person has a severe disability, is prudent under the circumstances.

Your Committee on Conference has amended this measure by making it effective upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2013, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2013, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 73-18 on S.B. No. 2745

The purpose of this measure is to amend the definition of "confidential personal information" for purposes related to offenses against property rights. Specifically, this measure:

- (1) Conforms the definition to the Hawaii Supreme Court's decision in *State v. Pacquing*, 139 Haw. 302 (2016), which excised portions of the definition to eliminate unconstitutionally vague provisions under the offense of unauthorized possession of confidential personal information;
- (2) Specifies other types of confidential personal information; and
- (3) Clarifies when a password constitutes confidential personal information.

Your Committee on Conference finds that the Court in *State v. Pacquing*, held that certain provisions in the definition of "confidential personal information" are unconstitutionally vague. This measure will amend the definition of "confidential personal information" to eliminate those vague provisions.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2745, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2745, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 74-18 on S.B. No. 2992

The purpose of this measure is to:

- (1) Exempt signs and banners from certain election law disclaimer requirements relating to advertisements; and
- (2) Require signs and banners advocating the passage or defeat of an issue or question on the ballot to contain the name and address of the candidate, candidate committee, or noncandidate committee paying for the sign or banner.

Your Committee on Conference finds that signs and banners are a common component of political campaigns, including organized advertising by candidates, committees, or grassroots political activities. Due to the size and manner of construction of some signs and banners, especially for those signs and banners that are handmade, it creates a potentially untenable situation when considering the disclosures required under campaign finance law.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2992, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2992, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Kim and Rhoads.
Managers on the part of the Senate.
Ayes, 2. Noes, none. Excused, 1 (Kim).

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

Conf. Com. Rep. 75-18 on S.B. No. 2146

The purpose of this measure is to allow an election officer who is required to issue a public notice in a statewide or county publication to satisfy the publication requirement by submitting the notice to the publication and conspicuously posting the notice on the website associated with the election officer.

Your Committee on Conference finds that timely filing of public notice relating to elections is important to keep the public well-informed and that unusual situations, such as vacancies in close proximity to the candidate filing deadline that add a contest to the ballot and extend the candidate filing deadline, should be brought to the attention of the public as soon as possible. The Office of Elections cannot guarantee compliance by an outside entity once the Office provides a proclamation or other public notice, so requiring the Office to post the notice on the Office's website will ensure that the Office can meet election deadlines regardless of the actions of outside entities.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2146, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2146, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 76-18 on S.B. No. 2180

The purpose of this measure is to clarify that defendants may be convicted of lesser included offenses in cases filed via complaint.

Your Committee on Conference finds that as a matter of law, all felony cases can be initiated for prosecution via felony complaint or indictment and, in specific types of felony charges, cases can be initiated via information. The method of initiating a case is frequently chosen based on the specific facts of the individual case. Your Committee on Conference further finds that "lesser included offenses"

are crimes in which the lesser offense contains all the elements of a greater offense with the caveat that the greater offense contains one or more additional elements to be proven beyond a reasonable doubt. Under existing Hawaii law, a defendant may be convicted of a lesser included offense in felony cases initiated through indictment or information, but not through felony complaint. Your Committee on Conference finds that authorizing judges and juries to consider lesser included offenses in cases initiated through felony complaint will increase consistency in felony case prosecution.

As such, your Committee on Conference has amended this measure by:

- (1) Limiting the types of cases filed via complaint in which a defendant may be convicted of lesser included offenses to only felony cases; and
- (2) Changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2180, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2180, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 77-18 on S.B. No. 2461

The purpose of this measure is to:

- (1) Establish a civil penalty for knowingly misrepresenting an animal as a service animal; and
- (2) Conform Hawaii law with the definition of "service animal" under the Americans with Disabilities Act of 1990.

Your Committee on Conference finds that fraudulent misrepresentation of pets and untrained animals as service animals is widespread and harmful to persons who legitimately rely on service animals. Currently, the law does not provide necessary legal consequences for misrepresenting a pet or other untrained animal as a service animal. Establishing penalties for such misrepresentation could function as a deterrent.

Your Committee on Conference has amended this measure by:

- (1) Specifying the civil penalties for knowingly misrepresenting an animal as a service animal as not less than \$100 and not more than \$250 for the first violation, and not less than \$500 for each additional violation; and
- (2) Changing the effective date to January 1, 2019.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2461, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2461, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 78-18 on S.B. No. 2582

The purpose of this measure is to authorize the courts to impose an extended term of imprisonment for an offender who is convicted of negligent homicide in the first degree and did not remain at the scene of the crime and render reasonable assistance to an injured person.

Your Committee on Conference finds that Hawaii is above the national average for persons who report driving after drinking too much, as well as the rate of deaths for all ages due to crashes involving a drunk driver. There has also recently been an increase in fatal automotive crashes in which the offending driver has failed to render aid after the crash. Such circumstances result in additional extreme distress for family and friends of the victim. This measure will provide for extended terms of imprisonment as a deterrent to driving while under the influence and for the failure of offending drivers to render aid in the event of a collision.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2582, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2582, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Nishimoto, Aquino, San Buenaventura and Thielen.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 79-18 on H.B. No. 2589

The purpose of this measure is to authorize the Department of Transportation to designate shoulder lanes upon which motorcycles are allowed to drive under certain conditions.

Your Committee on Conference has amended this measure by changing the repeal date from June 30, 2020, to December 31, 2020.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2589, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2589, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Aquino, Nishimoto and McDermott.
Managers on the part of the House.
Ayes, 2. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 80-18 on H.B. No. 2442

The purpose of this measure is to:

- (1) Require the counties to take into custody any abandoned vehicle on a public road within a certain time after abandonment;
- (2) Amend the requirement that the appropriate county shall provide written notice to the registered owner of an abandoned vehicle to apply only to abandoned vehicles that have been reported stolen;
- (3) Amend the conditions for a county determination that an abandoned vehicle constitutes a derelict vehicle; and
- (4) Repeal the requirement that abandoned vehicles be disposed of by public auction.

Your Committee on Conference has amended this measure by:

- (1) Removing language requiring the Department of Transportation to adopt rules to carry out the removal and disposition of abandoned vehicles;
- (2) Specifying that the counties are required to take into custody any abandoned vehicle on a public road within ten business days;
- (3) Allowing, rather than requiring, the disposition of abandoned vehicles by public auction;
- (4) Deleting language that would have limited the application of the requirement to provide written notice to the registered owner only if the abandoned vehicle had been reported stolen;
- (5) Amending the conditions that determine whether a vehicle is a derelict vehicle to include removal of any part;
- (6) Changing its effective date to upon approval; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2442, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2442, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Nishihara, Taniguchi and Shimabukuro.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Nishihara).

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

Conf. Com. Rep. 81-18 on H.B. No. 2215

The purpose of this measure is to establish a bicycle overtaking safety pilot program in a county consisting of two inhabited islands, which requires a three-foot minimum safe passing distance when a motorist passes and overtakes a bicyclist.

Your Committee on Conference has amended this measure by:

- (1) Converting the pilot program into a statewide statutory mandate that requires a driver of a vehicle passing and overtaking a bicycle proceeding in the same direction to allow at least three feet of separation between the right side of the driver's vehicle and the left side of the bicyclist; and
- (2) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2215, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2215, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Taniguchi, Shimabukuro and Rhoads.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, none.

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

Conf. Com. Rep. 82-18 on S.B. No. 2153

The purpose of this measure is to repeal the requirement that candidate committee organizational reports include the name and address of each contributor who contributed an aggregate amount of more than \$100 to the candidate committee since the last election.

Your Committee on Conference finds that candidate committee organizational reports contain directory-type information related to the composition of the committee. Each candidate committee is already required to disclose their contributions in periodic disclosure reports as required by the Hawaii Revised Statutes. Removing the requirement that candidate committees redundantly disclose their contributions in the organizational report will make the organizational reports more efficient without sacrificing the public's access to contribution information.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2153, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2153, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 83-18 on S.B. No. 2154

The purpose of this measure is to repeal the requirement that noncandidate committee organizational reports include information regarding contributors and contributions.

Your Committee on Conference finds that noncandidate committee organizational reports contain directory-type information related to the composition of the committee. Noncandidate committees are already required to disclose their contributions in periodic disclosure reports as required by the Hawaii Revised Statutes. Removing the requirement that noncandidate committees redundantly disclose their contributions in the organizational report will make the organizational reports more efficient without sacrificing the public's access to contribution information.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2154, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2154, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 84-18 on S.B. No. 2174

The purpose of this measure is to:

- (1) Authorize specified courts to issue material witness orders in cases initiated through felony complaint; and

- (2) Include the family courts in the authorization to issue material witness orders.

Your Committee on Conference finds that a felony criminal case can be initiated through felony complaint, indictment, or information. In some cases, it is advantageous to the prosecution to initiate the case through felony information because a preliminary hearing will follow the complaint. A preliminary hearing allows the State to have sworn testimony from witnesses that may, in certain circumstances, be used at trial if a witness suddenly becomes unavailable prior to trial. Preliminary hearings also give defendants the opportunity to confront witnesses against them and defendants' attorneys the opportunity to cross-examine witnesses. Although courts are authorized to issue material witness orders in cases initiated through indictment or information, courts cannot issue material witness orders in cases initiated through felony complaint. Authorizing courts to issue material witness orders in cases initiated through felony complaint would allow the prosecution and defense in such cases to more effectively assist the court in reaching just and well-supported decisions.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2174, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2174, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Nishimoto, San Buenaventura and Thielen.
Managers on the part of the House.
Ayes, 2. Noes, none. Excused, 1 (San Buenaventura).

Conf. Com. Rep. 85-18 on S.B. No. 2691

The purpose of this measure is to allow boards, under the State's Sunshine Law, to provide a copy of the public notice of a meeting to the Office of the Lieutenant Governor or appropriate county clerk's office via electronic mail.

Your Committee on Conference finds that email is a common form of communication that is expedient and efficient and is widely used by public agencies and boards throughout the State. Allowing boards to provide required notice of public meetings via email will increase efficiency by reducing administrative costs.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2691, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2691, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Kim and Rhoads.
Managers on the part of the Senate.
Ayes, 2. Noes, none. Excused, 1 (Rhoads).

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

Conf. Com. Rep. 86-18 on S.B. No. 2719

The purpose of this measure is to extend the period during which a victim of child sexual abuse may bring an otherwise time-barred civil action against the victim's abuser, or legal entity that is also civilly liable, until April 24, 2020.

Your Committee on Conference finds that child sexual abuse is a serious and ongoing threat to the safety, health, and wellbeing of children and young people. Survivors of child sexual abuse frequently suffer profound consequences throughout adulthood, and many do not disclose their abuse until later in life. Children who are the targets of sexual abuse can blame themselves or be prevented from reporting the abuse due to intense feelings of fear, disbelief, anger, helplessness, betrayal, and anxiety; incapacity to understand what happened or express their complaint due to their stage of cognitive development; or be afraid of retaliation or the potential negative impact on their family if the abuser was a family member or an individual in a position of influence or power. This measure will allow victims additional time to file a civil cause of action by extending the statute of limitations for certain claims.

Your Committee on Conference has amended this measure by:

- (1) Changing the effective date to July 1, 2018; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2719, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2719, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Rhoads and Thielen.

Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Nishimoto, Morikawa, San Buenaventura and Thielen.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 87-18 on S.B. No. 2742

The purpose of this measure is to resolve inconsistencies in the processing of expungements and public dissemination of criminal history record information related to cases in which the defendant is acquitted or charges are dismissed by reason of physical or mental disease, disorder, or defect of the defendant and for defendants who are involuntarily hospitalized.

Your Committee on Conference finds that the Hawaii Criminal Justice Data Center is responsible for the collection, storage, and dissemination of criminal history record information in such a manner as to balance the right of the public and press to be informed, the right to privacy of individuals, and the responsibility of law enforcement agencies to prevent crimes and detect and apprehend criminals. This measure will resolve inconsistencies in existing law governing the retention and dissemination of criminal history record information in cases in which a person has been acquitted or charges have been dismissed by reason of physical or mental disease, disorder, or defect, and for circumstances under which a person is involuntarily hospitalized.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2742, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2742, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 88-18 on S.B. No. 2699

The purpose of this measure is to specify that resort fees, which are any mandatory charges or surcharges imposed for the use of a transient accommodation's property, services, or amenities, are included in the gross rental proceeds amount upon which the transient accommodations tax is calculated.

Your Committee on Conference finds that this measure clarifies the treatment of resort fees for purposes of assessing the transient accommodations tax.

Your Committee on Conference amended this measure by:

- (1) Amending the definition of "resort fee" to include fees, whether or not they are mandatory; and
- (2) Requiring the Department of Taxation to adopt rules pursuant to chapter 91, Hawaii Revised Statutes, to further define the definitions added or amended by this measure; provided that the Department shall not be prevented from levying, assessing, or collecting taxes resulting from the imposition of resort fees prior to the adoption of these rules.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2699, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2699, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Dela Cruz, Keith-Agaran and Riviere.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Onishi, Luke, Cullen, Fukumoto and Thielen.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Fukumoto).

Conf. Com. Rep. 89-18 on S.B. No. 1208

The purpose of this measure is to assist an agricultural enterprise by authorizing the issuance of special purpose revenue bonds not to exceed an unspecified amount to assist Twin Bridge Farms, Inc., in the purchase of agricultural lands to be used for agricultural production.

Your Committee on Conference finds that the Governor has pledged to double local food production by 2020. Your Committee on Conference further finds that in order to achieve this goal, the State needs to support the growth of its local farming and ranching industries. In furtherance of the State's food production goals, your Committee on Conference finds it important to assist Twin Bridge Farms, Inc., a local farm known for producing high quality products, in purchasing additional lands to increase the farm's food production. The issuance of special purpose revenue bonds pursuant to this measure is in the public interest and constitutes assistance to agricultural enterprises under part X of chapter 39A, Hawaii Revised Statutes.

Your Committee on Conference has amended this measure by:

- (1) Authorizing the issuance of special purpose revenue bonds in an amount not to exceed \$9,000,000 to assist Twin Bridge Farms, Inc.; and
- (2) Changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1208, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1208, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Rhoads and Keith-Agaran.

Managers on the part of the Senate.

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

Representatives Creagan, Cullen, Quinlan and Thielen.

Managers on the part of the House.

Ayes, 4; Ayes with Reservations (Thielen). Noes, none. Excused, none.

Conf. Com. Rep. 90-18 on S.B. No. 3002

The purpose of this measure is to:

- (1) Authorize the State Librarian to designate one or more public library employees to be notaries public; and
- (2) Allow designated employees to perform as notaries public in government service for fees that will be deposited into the library fee for enhanced services special fund.

Your Committee on Conference finds that the Hawaii State Public Library System staff have received requests for notary services, particularly in rural areas of the State. Authorizing the State Librarian to designate one or more public library employees to be notaries public and allowing public libraries to charge a fee for performing notary services will help assist in providing this much needed service to the public and provide a new source of revenues for the library fee for enhanced services special fund.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 3002, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 3002, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Espero and Kahele.

Managers on the part of the Senate.

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

Representatives Woodson, Cullen and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 91-18 on S.B. No. 2919

The purpose of this measure is to:

- (1) Establish a pilot program to generate revenue through the lease of public library lands to meet the mission of the public libraries;
- (2) Establish the library facilities fund for deposit of revenues generated by lease or other disposition of library lands, to be expended for state library programs; and
- (3) Require the Board of Education to submit a report on the pilot program to the Legislature.

Your Committee on Conference finds that public libraries provide an invaluable service to the community. However, there is a need to examine new and innovative methods of generating funds to support the mission of the public libraries. Consequently, generating funds through the lease of public library lands may provide a viable source of funding for the public libraries. Accordingly, it is appropriate to establish a pilot program to generate revenue through the lease of public library lands to meet the mission of the public libraries to be facilitated by the State Librarian, Board of Education, and any other appropriate agencies.

Your Committee on Conference has amended this measure by:

- (1) Deleting language that would have appropriated funds for the public library lands pilot program and the hiring of experts in land development issues;
- (2) Changing the effective date to July 1, 2018; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2919, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2919, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Rhoads and Shimabukuro.

Managers on the part of the Senate.

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

Representatives Woodson, Yamane, Cullen, Hashem and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 92-18 on S.B. No. 2051

The purpose of this measure is to permit individual Department of Education schools and career pathways, academies, or programs operated within a Department of Education school to engage in commercial enterprises, including the sale of goods produced by or for an individual school, career pathway, academy, or program.

Your Committee on Conference finds that, in preparation for entering the workforce, it is essential that career development is incorporated into education. Career and technical education programs in public schools support hands-on learning experiences for students and provide students an opportunity to apply content skills and knowledge in entrepreneurial and relevant ways. Allowing public school career development programs to market products and services and deposit funds back into the program will help keep these programs sustainable, while providing students with valuable opportunities.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2051, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2051, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Shimabukuro and Espero.

Managers on the part of the Senate.

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

Representatives Woodson, Cullen, Gates, Kong and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 93-18 on S.B. No. 2858

The purpose of this measure is to:

- (1) Require the design of all state buildings constructed on or after July 1, 2018, to include a shelter room or area that is capable of protecting individuals from Category 3 hurricanes; and
- (2) Require the new construction to be consistent with standards issued in the Report of Recommended Statewide Public Hurricane Shelter Criteria, Hurricane Shelter Criteria Committee, State Civil Defense, June 24, 2014.

Your Committee on Conference finds that ensuring that state buildings are capable of withstanding extreme weather-related events and emergencies is essential for maintaining public welfare. Your Committee on Conference further finds that public schools are particularly vulnerable to the effects of weather-related events and emergencies and situated in areas easily accessible by community members and would therefore be the ideal initial sites for enhanced building design and construction. Accordingly, your Committee on Conference finds that the State should consider relevant hurricane resistant criteria when designing and constructing new public schools for the capability of providing shelter refuge.

Your Committee on Conference has amended this measure by:

- (1) Removing language requiring the design of all state buildings constructed on or after July 1, 2018, to include a shelter room or area that is capable of protecting individuals from Category 3 hurricanes and that the new construction be consistent with standards issued in the Report of Recommended Statewide Public Hurricane Shelter Criteria, Hurricane Shelter Criteria Committee, State Civil Defense, June 24, 2014;
- (2) Inserting language to require the State to consider hurricane resistant criteria when designing and constructing new public schools for the capability of providing shelter refuge; and
- (3) Changing the effective date to upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2858, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2858, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Shimabukuro and Thielen.

Managers on the part of the Senate.

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

Representatives Takayama, Gates, Yamashita and Thielen.

Managers on the part of the House.

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

Conf. Com. Rep. 94-18 on S.B. No. 2556

The purpose of this measure is to prepare for the implementation of the Department of Agriculture's (DOA) industrial hemp pilot program by establishing the industrial hemp special fund for the deposit of monies, including fees collected by the DOA, and expenditure of funds for pilot program purposes, including hiring of employees, specialists, and consultants.

Your Committee on Conference finds that the DOA industrial hemp pilot program is progressing toward implementation; however, a special fund is necessary for deposit of fees collected through the program and to support the program, including the hiring of employees, specialists, and consultants necessary to complete projects. Your Committee on Conference further finds that part II of chapter 141, Hawaii Revised Statutes, authorizes the DOA to collect various fees and assess fines related to the industrial hemp pilot program. Requiring the DOA to deposit the fees into a special fund will promote transparency, help track revenues of the program, and guide the DOA in adjusting the fee amounts to ensure that the program is financially self-sustaining.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2556, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2556, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 95-18 on S.B. No. 2244

The purpose of this measure is to establish safety mechanisms within the workers' compensation system, similar to other areas of state law, to deter opioid abuse by:

- (1) Requiring health care providers in the workers' compensation system who are authorized to prescribe opioids to adopt and maintain written policies for informed consent to opioid therapy in circumstances that carry elevated risk of dependency; and
- (2) Establishing limits for concurrent opioid and benzodiazepine prescriptions in the workers' compensation system.

Your Committee on Conference finds that a nationwide drug epidemic, associated with prescription pain relieving drugs, is causing alarming rates of addiction, overdose, and death. Your Committee on Conference further finds that a number of states have also taken steps through their workers' compensation systems to stem over prescription of opioids to injured workers. Your Committee on Conference observes that existing law contains provisions similar to those encompassed by this measure for opioid prescriptions issued outside of the workers' compensation regime. Accordingly, your Committee on Conference finds that this measure will similarly reduce unnecessary opioid prescriptions to injured workers and limit opioid overdoses, as well as offer the same protections to patients in the State's workers' compensation system as to those outside of the system.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2244, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2244, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Johanson, Mizuno, Takumi, Luke, Ichiyama and Matsumoto.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, 1 (Mizuno).

Conf. Com. Rep. 96-18 on S.B. No. 2801

The purpose of this measure is to enhance the ability of the Department of Labor and Industrial Relations (DLIR) to enforce the State's labor laws by:

- (1) Establishing the labor law enforcement special fund to provide for sufficient operating costs to collect penalties and fees assessed by DLIR for violations of labor laws;
- (2) Establishing an attorney position and a legal assistant position within the Department of the Attorney General to represent DLIR in collecting penalties and fees for violations of labor law; and
- (3) Appropriating funds to carry out the purposes of this measure.

Your Committee on Conference finds that this measure aims to improve compliance with labor laws by helping ensure that penalties for violations are collected by DLIR. Your Committee on Conference further finds that it is necessary to provide for sufficient

operating costs to collect fees for violations of labor laws. The establishment of a special fund, and the establishment and hiring of an attorney and a legal assistant within the Department of the Attorney General, will provide the needed resources and allow the State to more effectively collect penalties and enforce the State's labor laws.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$98,163 into and out of the labor law enforcement special fund for the attorney and legal assistant positions within the Department of the Attorney General; and
- (2) Changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2801, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2801, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 97-18 on S.B. No. 3000

The purpose of this measure is to:

- (1) Establish the research and development program to optimize research and development preformed in the State; and
- (2) Establish the research and development special fund and appropriate funds for the research and development program.

Your Committee on Conference finds that research and development preformed in the State is vital for the continued growth of Hawaii's economy. Your Committee on Conference believes that supporting research and development will encourage innovation in various sectors throughout the State and has potential to attract businesses from around the world to Hawaii. Your Committee on Conference believes that creating a research and development research program in the State will assist small businesses with product development, technology transfer, and commercialization and create more high-paying jobs, resulting in highly skilled workers remaining in or coming to Hawaii and contributing to the economy.

Your Committee on Conference has amended this measure by:

- (1) Inserting a cap of \$300,000 for grants to be provided for critical product development that allows qualified businesses to achieve significant product development and technical milestones;
- (2) Requiring a company to employ fifteen or more employees to be considered a "Hawaii-based small business";
- (3) Inserting an appropriation amount of \$1,000,000 into and out of the research and development special fund to be used for the research and development program; and
- (4) Changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 3000, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 3000, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Evans, Keohokalole and Ward.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 98-18 on S.B. No. 2150

The purpose of this measure is to appropriate supplemental funds for the operating and capital improvement budget of the Judiciary for fiscal years (FY) 2017-2018 and 2018-2019.

The Judiciary submitted a supplemental budget that totaled:

	<u>FY 2018</u>	<u>FY 2019</u>
General Funds	\$163,038,964	\$164,665,936
All Means of Financing	\$175,679,611	\$177,306,583

The Judiciary submitted a capital improvement budget that totaled:

	<u>FY 2018</u>	<u>FY 2019</u>
General Funds	\$7,750,000	\$20,480,000

Your Committee on Conference has amended the supplemental budget to appropriate:

	<u>FY 2018</u>	<u>FY 2019</u>
General Funds	\$163,038,964	\$163,995,179
All Means of Financing	\$175,679,611	\$176,635,826

Your Committee on Conference has further amended this budget to appropriate the following in capital improvement funds:

	<u>FY 2018</u>	<u>FY 2019</u>
General Funds	\$7,750,000	\$8,500,000

CAPITAL BUDGET

Your Committee on Conference recognizes the need to address health and safety at the Kauai Judiciary Complex. Therefore, your Committee appropriates \$1,100,000 for fiscal year 2018-2019 in general obligation bond funds to reroof and repair leaks at the Kauai Judiciary Complex, Kauai.

Your Committee on Conference also appropriates \$5,800,000 for fiscal year 2018-2019 in general obligation bond funds to provide furnishings and equipment for the Kona Judiciary Complex, Hawaii.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2150, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2150, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Dela Cruz and Rhoads.

Managers on the part of the Senate.

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

Representatives Nishimoto, Luke, Cullen, San Buenaventura and Thielen.

Managers on the part of the House.

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

Conf. Com. Rep. 99-18 on S.B. No. 2581

The purpose of this measure is to:

- (1) Increase the number of members on the King Kamehameha Celebration Commission from thirteen to fifteen;
- (2) Amend the membership of the Commission and the requirements for organizations to be represented on the Commission; and
- (3) Establish the position, duties, and salary of the Executive Director of the Commission, who shall be appointed by the Commission.

Your Committee on Conference finds that the King Kamehameha Celebration Commission works to uphold the legacy of King Kamehameha by working with various organizations that commemorate and preserve the history of Hawaii. Your Committee on Conference further finds that increasing the number of members on the Commission to include the Daughters of Hawaii and a representative from the island of Lānaʻi will allow the Commission to better fulfill its duty to commemorate and celebrate a significant figure in Hawaiian history. Your Committee on Conference recognizes the importance and depth of the work the Commission does and believes that an Executive Director would provide greater administrative guidance to the Commission in its operations.

Your Committee on Conference has amended this measure by:

- (1) Deleting language that mandated the Commission to establish the salary of the Executive Director and set a limit for the salary; and
- (2) Changing the effective date to upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2581, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2581, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Shimabukuro, Taniguchi and English.

Managers on the part of the Senate.

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

Representatives LoPresti, Ing, Fukumoto, Ito and Ward.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 2 (Fukumoto, Ito).

Conf. Com. Rep. 100-18 on H.B. No. 2610

The purpose of this measure is to continue to support Hawaii's manufacturing industry by appropriating funds to the Hawaii Technology Development Corporation to continue its Manufacturing Grant Program, as well as for the operations and administration of the Program.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$1,000,000 for the continuation of the Manufacturing Grant Program as well as for the operations and administration of the Program; and
- (2) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2610, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2610, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Evans, Keohokalole and Ward.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 101-18 on H.B. No. 1958

The purpose of this measure is to further develop the State's technology sector by:

- (1) Appropriating moneys to continue the Small Business Innovation Research Program; and
- (2) Authorizing the Hawaii Technology Development Corporation to match federal small business innovation research phase III and small business technology transfer program phase III awards that are funded by the private sector or government sources outside of the program.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$1,500,000 for the continuation of the Small Business Innovation Research Program; and
- (2) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1958, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1958, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 102-18 on H.B. No. 2333

The purpose of this measure is to support Hawaii's most socially and economically challenged regions and demographic groups through community-supported economic development projects by authorizing the Department of Business, Economic Development and Tourism to deposit moneys it receives from the repayment of outstanding loans into the Hawaii community-based economic development revolving fund to be used to make loans and grants to small businesses.

Your Committee on Conference has amended this measure by changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2333, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2333, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Wakai, Galuteria, Kahele and Thielen.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, none.

Representatives Evans, Keohokalole, Todd and Ward.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 103-18 on H.B. No. 2075

The purpose of this measure is to strengthen and support Hawaii's local companies that are conducting renewable energy research and development by establishing:

- (1) A two-year Alternative Energy Research and Development Program within the Department of Business, Economic Development and Tourism to provide matching grants to qualified businesses that have been awarded a competitive contract

from the Department of Defense Office of Naval Research to conduct research and development in alternative energy and energy efficiency technologies in certain fields; and

- (2) An Alternative Energy Research and Development Revolving Fund to fund the Program.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$1,000,000 to be deposited into, and appropriated out of, the Alternative Energy Research and Development Revolving Fund; and
- (2) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2075, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2075, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Evans, Lee, Keohokalole, LoPresti and Matsumoto.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 104-18 on H.B. No. 2587

The purpose of this measure is to address the county surcharge on state tax by:

- (1) Extending by three months the period in which a county may adopt a surcharge on state tax, under certain conditions, from March 31, 2018, to June 30, 2018; and
- (2) Requiring that, for a county with a population equal to or less than five hundred thousand that adopts a county surcharge on state tax:
 - (A) No less than sixty percent of the surcharge revenues shall be used for public transportation system purposes; and
 - (B) No more than two percent of the surcharge revenues may be used on any roadway used by the general public.

Your Committee on Conference has amended this measure by:

- (1) Extending the period in which a county may adopt a surcharge on state tax from March 31, 2018, to March 31, 2019;
- (2) Specifying that the county surcharge on state tax shall be levied no earlier than:
 - (A) January 1, 2019, for ordinances adopted after June 30, 2015, but prior to June 30, 2018; or
 - (B) January 1, 2020, for ordinances adopted on or after June 30, 2018, but prior to March 31, 2019; and
- (3) Removing the provisions that specify how certain percentages of the surcharge may be used by a county with a population equal to or less than 500,000 that adopts a surcharge.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2587, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2587, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 105-18 on H.B. No. 1604

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and to make the constitutionally-required findings that the bond issuance will not cause the state debt limit to be exceeded.

Your Committee on Conference finds that Article VII, section 13, of the Constitution of the State of Hawaii requires the Legislature to include a declaration of findings in every general law authorizing the issuance of general obligation bonds, which shall declare that the issuance of state bonds authorized will not cause the debt limit to be exceeded at the time of issuance. Your Committee on Conference further finds that the proceeds generated from the general obligation bonds authorized to be issued under this measure will be used to finance the fulfillment of important state objectives.

Your Committee on Conference has amended this measure by:

- (1) Inserting the appropriate dollar amounts throughout the measure as provided by the Department of Budget and Finance;

- (2) Updating the dates and measure numbers cited in the measure;
- (3) Adding a part II to the measure that amends the titles and descriptions of certain capital improvement projects of executive branch agencies and programs established in the Supplemental Appropriations Act of 2018;
- (4) Changing the effective date from July 1, 2050, to upon approval; and
- (5) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

Your Committee on Conference notes that the amendments made in part II of this measure are not intended to appropriate any additional funds, authorize the issuance of any additional general obligation bonds or allocate the revenues derived thereof, or add any additional debt for the projects authorized by the Supplemental Appropriations Act of 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1604, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1604, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Dela Cruz, Keith-Agaran and English.

Managers on the part of the Senate.

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

Representatives Luke, Cullen and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 106-18 on H.B. No. 2352

The purpose of this measure is to include a member of the Native Hawaiian Education Council and a non-voting public university student teacher on the Hawaii Teacher Standards Board and clarify that a permit is required for unlicensed teachers serving in public schools.

Your Committee on Conference has amended this measure by:

- (1) Changing the effective date to July 1, 2018; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2352, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2352, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Galuteria and Kim.

Managers on the part of the Senate.

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

Representatives Woodson, Todd, Ohno and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 107-18 on H.B. No. 2353

The purpose of this bill is to facilitate the operations of the Hawaii State Public Library System. Specifically, this bill:

- (1) Makes miscellaneous technical amendments to various sections of the Hawaii Revised Statutes that affect the Hawaii State Public Library System;
- (2) Renames the Hawaii State Library Foundation trust fund as the Friends of the Library of Hawaii program fund; and
- (3) Clarifies the functions and operational status of the Friends of the Library of Hawaii program fund.

Your Committee on Conference has amended this bill by changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2353, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2353, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Galuteria and Espero.

Managers on the part of the Senate.

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

Representatives Woodson, Todd, Hashem and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 108-18 on H.B. No. 2607

The purpose of this bill is to promote computer science education in the State by:

- (1) Requiring the Department of Education to develop and implement a statewide computer science curricula plan for public school students in kindergarten through twelfth grade and ensure that each public high school offers at least one computer science course each year; and
- (2) Authorizing the Department of Education to contract with other entities to develop and implement computer science teacher development programs.

Your Committee on Conference has amended this bill by:

- (1) Clarifying that the statewide computer science curricula plan for public students in kindergarten through twelfth grade may include design thinking as part of the curricula;
- (2) Appropriating \$500,000 for fiscal year 2018-2019 to the Department of Education to develop a computer science curricula plan, offer computer science classes, and contract for teacher development programs;
- (3) Changing its effective date to July 1, 2018; and
- (4) Making a technical, nonsubstantive amendment for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2607, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2607, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Galuteria and Espero.

Managers on the part of the Senate.

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

Representatives Woodson, McKelvey, Evans, Todd, Ohno and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 109-18 on H.B. No. 2354

The purpose of this bill is to provide taxpayers with an opportunity to increase their support of the Hawaii State Public Library System. Specifically, this bill changes the amount of the authorized income tax check-off to the libraries special fund that may be designated from a person's income tax refund as follows:

- (1) For an individual taxpayer, changing the amount from \$2 to an unspecified amount; and
- (2) For taxpayers filing a joint return, changing the amount from \$4 to an unspecified amount.

Your Committee on Conference has amended this bill by:

- (1) Increasing the amount of the authorized income tax check-off to the libraries special fund that may be designated from a person's income tax refund as follows:
 - (A) For an individual taxpayer, increasing the amount from \$2 to \$5; and
 - (B) For taxpayers filing a joint return, increasing the amount from \$4 to \$10; and
- (2) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2354, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2354, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Galuteria and Kim.

Managers on the part of the Senate.

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

Representatives Woodson, Todd, Hashem and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 110-18 on H.B. No. 2455

The purpose of this measure is to celebrate the one-hundred fiftieth anniversary of the arrival of the first group of organized Japanese immigrants in Hawaii, known as Gannenmono, by appropriating funds to the Department of Business, Economic Development and Tourism for the 2018 Gannenmono celebration.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$150,000 to the Department of Business, Economic Development and Tourism for the 2018 Gannenmono celebration;

- (2) Changing its effective date to upon its approval; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2455, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2455, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives LoPresti, Fukumoto, Tokioka and Ward.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Tokioka).

Conf. Com. Rep. 111-18 on H.B. No. 2697

The purpose of this measure is to assist Hawaii's veterans, including their families and dependents, by requiring the Office of Veterans' Services to organize, coordinate, and conduct a biennial State of Hawaii Veterans Summit and to appropriate funds to conduct the Summit.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$400,000 to the Office of Veterans' Services to organize, coordinate, and conduct the biennial State of Hawaii Veterans Summit; and
- (2) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2697, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2697, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives LoPresti, Fukumoto, Ito and Ward.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Ward).

Conf. Com. Rep. 112-18 on H.B. No. 2357

The purpose of this measure is to create an eviction process for the Hawaii Public Housing Authority's state low-income housing projects or programs and elder or elderly housing.

Your Committee on Conference has amended this measure by:

- (1) Amending the minimum number of persons on an eviction board;
- (2) Making technical, non-substantive amendments for clarity, consistency, and style; and
- (3) Changing its effective date to upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2357, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2357, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Taniguchi, Gabbard and Ruderman.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, none.

Representatives Brower, San Buenaventura, Nakamura, Hashem and McDermott.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 113-18 on H.B. No. 2389

The purpose of this bill is to facilitate the transition from prison upon discharge or parole for certain committed persons. Specifically, this measure:

- (1) Requires that a committed person receive appropriate resource referrals as a prior condition to receiving any cash furnished by the Hawaii Paroling Authority (Authority);

- (2) Specifies that the moneys furnished by the Authority for discharged or paroled individuals shall be subject to the availability of legislative appropriations authorized and allocated for that purpose; and
- (3) Prohibits the Authority from using any moneys that are appropriated to provide for the immediate needs of a discharged or paroled individual for any other purpose.

Your Committee on Conference has amended this bill by:

- (1) Removing language that required a committed person receive appropriate resource referrals as a prior condition to receiving any cash furnished by the Authority; and
- (2) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2389, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2389, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Galuteria and Thielen.

Managers on the part of the Senate.

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

Representatives Takayama, Gates, Say and Thielen.

Managers on the part of the House.

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

Conf. Com. Rep. 114-18 on H.B. No. 2454

The purpose of this bill is to establish a three-year Correctional Industries Former Inmate Employment Pilot Project (Pilot Project) within the Department of Public Safety (Department) to assist former inmates as they reenter society by providing full time employment at a fair market wage to up to five former inmates.

Your Committee on Conference has amended this bill by:

- (1) Clarifying that the data on the conduct and efficacy of the Pilot Project shall be collected by service providers that work directly with the former inmates and shall be submitted to the Department every six months for evaluation purposes for the duration of the Pilot Project and twelve months after the Pilot Project ends; and
- (2) Changing its effective date to upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2454, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2454, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Tokuda and Galuteria.

Managers on the part of the Senate.

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

Representatives Takayama, Evans, Gates and Thielen.

Managers on the part of the House.

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

Conf. Com. Rep. 115-18 on H.B. No. 2010

The purpose of this measure is to change provisions of the law relating to tourism.

Specifically, this measure:

- (1) Renames the convention center enterprise special fund as the convention center operations and maintenance special fund;
- (2) Inserts a cap of \$6,000,000 on the convention center operations and maintenance special fund and authorizes expenditures from the fund for the salaries of Convention Center personnel;
- (3) Amends the authorized uses of the tourism special fund and caps expenditures from the fund for certain purposes;
- (4) Amends the allocation of transient accommodations tax revenue;
- (5) Requires the Department of Budget and Finance to cancel the reimbursable general obligation bond debt relating to the Convention Center that is owed by the Hawaii Tourism Authority; and
- (6) Makes conforming amendments.

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

- (1) Cancel the debt and liabilities owed to the State by the Hawaii Tourism Authority for Convention Center construction costs and related interest;
- (2) Relieve the convention center enterprise special fund from paying debts owed to the Department of Budget and Finance;

- (3) Reduce the allocation of transient accommodations tax revenues to the convention center enterprise special fund from \$26,500,000 to \$16,500,000;
- (4) Reduce the allocation of transient accommodations tax revenues to the tourism special fund from \$82,000,000 to \$79,000,000; and
- (5) Appropriate moneys for the Hawaii Tourism Authority to implement initiatives, in conjunction with the Hawaii Lodging and Tourism Association, to address homelessness in tourist and resort areas; provided that the funds are matched dollar-for-dollar by the private sector.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2010, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2010, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Onishi, Luke and Tupola.
Managers on the part of the House.
Ayes, 2. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 116-18 on H.B. No. 2097

The purpose of this measure is to:

- (1) Require the Attorney General to defend any civil action or proceeding against a county and any person employed by the county to provide lifeguard services at a designated state beach park under an agreement between the State and the county; and
- (2) Appropriate funds to the Department of Land and Natural Resources to contract with the counties for county lifeguard services at designated state beach parks under an agreement between the State and a county.

Your Committee on Conference has amended this measure by:

- (1) Inserting an amount of \$1,000,000 to be appropriated out of the general fund for the Department of Land and Natural Resources Division of State Parks to contract with the counties for county lifeguard services at designated state beach parks under an agreement between the State and a county;
- (2) Inserting an amount of \$500,000 for the Department of Land and Natural Resources Division of State Parks to contract with the counties for county lifeguard services at designated state beach parks under an agreement between the State and a county, which shall be appropriated out of the Special Land and Development Fund, rather than the Tourism Special Fund; and
- (3) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2097, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2097, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Yamane, Johanson, Nishimoto, Todd, Hashimoto and Thielen.
Managers on the part of the House.
Ayes, 6. Noes, none. Excused, none.

Conf. Com. Rep. 117-18 on H.B. No. 2464

The purpose of this measure is to require the Department of Hawaiian Home Lands (Department) to conduct a study on the issue of Hawaiian Home Lands lessees selling or transferring their leases for a fee or other personal gain and then applying for a subsequent lease. This measure requires the Department to submit a report on the findings and recommendations of its study to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019.

Your Committee on Conference has amended this measure by:

- (1) Requiring the Department to submit a report on its study to the Legislature no later than twenty days prior to the convening of the Regular Session of 2020, rather than 2019; and
- (2) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2464, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2464, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Ing, San Buenaventura, DeCoite, Gates and Tupola.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 118-18 on H.B. No. 2259

The purpose of this measure is to require the Department of Land and Natural Resources (Department) to allow applications for marine event permits up to one year in advance and authorize the Department to adopt rules to mitigate hazards posed by vessels, thrill craft, drones, and other means used by spectators to observe or record marine events. This measure also requires the Department to submit a report to the 2019 Legislature of its progress in implementing the permitting process and adopting rules.

Your Committee on Conference amended this measure by:

- (1) Requiring the Department to consult with the Department of Transportation and the Federal Aviation Administration before adopting rules regulating the use of drones; and
- (2) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2259, H.D. 1, S.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2259, H.D. 1, S.D. 3, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Ing, DeCoite, Fukumoto and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Fukumoto).

Conf. Com. Rep. 119-18 on H.B. No. 2594

The purpose of this measure is to appropriate funds for the Kaho'olawe Island Reserve Commission (Commission) to restore, preserve, and determine the appropriate uses of Kaho'olawe Island, and to fund one full-time equivalent permanent cultural resource project coordinator position for the Commission.

Your Committee on Conference has amended this measure by:

- (1) Changing the appropriation for the Commission's operating costs for restoring, preserving, and determining the appropriate uses of Kaho'olawe Island from an unspecified amount to \$100,000;
- (2) Changing the appropriation for the Commission to fund one full-time equivalent permanent cultural resource project coordinator position from an unspecified amount to \$53,000; and
- (3) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2594, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2594, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 120-18 on H.B. No. 2613

The purpose of this measure is to appropriate funds for fiscal year 2018-2019 to maintain the initial staff necessary to develop and manage the He'eia National Estuarine Research Reserve and its programs.

Your Committee on Conference has amended this measure by:

- (1) Changing the unspecified appropriation to an amount of \$150,000 and specifying that it shall be used for the hiring of 1.00 full-time equivalent position and operating costs;
- (2) Changing its effective date to July 1, 2018; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2613, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2613, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 121-18 on S.B. No. 122

The purpose of this measure is to:

- (1) Provide designated family members and other interested persons with:
 - (A) Notice when an individual with a mental health emergency is subject to admission to a facility, examination, hospitalization, commitment, or assisted community treatment; and
 - (B) The right to be present for the individual's hearings and receive a copy of the hearing transcript or recording unless the court determines otherwise; and
- (2) Require a court to adjourn or continue a hearing for failure to timely notify a person entitled to be notified or for failure by the individual to contact an attorney, with certain exceptions.

Your Committee on Conference finds that family members provide a valuable support network for individuals with mental illness, especially as those individuals try to navigate the State's health, mental health, and court systems. Your Committee on Conference also finds that family members are often kept in the dark about their loved ones' status, location, and treatment, including notice of relevant legal proceedings. Your Committee on Conference finds that this measure balances the importance of providing family members with more information about their loved ones with mental illness with the need to protect individual privacy rights.

Your Committee on Conference has amended this measure by inserting an effective date of July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 122, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 122, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Rhoads, English, Nishihara, Ruderman and Taniguchi.
Managers on the part of the Senate.
Ayes, 5. Noes, none. Excused, 1 (Nishihara).

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

Conf. Com. Rep. 122-18 on S.B. No. 2612

The purpose of this measure is to:

- (1) Allow a social club granted federal tax-exempt status to sell wine from the social club's inventory to club members for off-premises consumption;
- (2) Waive certain requirements for the issuance of class 10 special liquor licenses; and
- (3) Enable class 10 special liquor licensees to auction off liquor in sealed or covered containers or services that provide liquor.

Your Committee on Conference finds that some nonprofit organizations have faced an extremely onerous process when attempting to obtain a special liquor license for a fundraising event, which can be unduly burdensome in time and money, as many of these nonprofit organizations operate on small budgets. This measure streamlines the special license process and reduces the burden on nonprofit organizations by waiving fees and other requirements for applicants for a class 10 special liquor license required for fundraising events. This measure also permits a tax-exempt social club to sell wine from the social club's inventory and clarifies the ability of a class 10 special liquor licensee to auction off liquor or services that provide liquor.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to upon approval; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2612, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2612, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Nishimoto, Cullen, Cachola and Thielen.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Thielen).

Conf. Com. Rep. 123-18 on S.B. No. 2646

The purpose of this measure is to reduce the public's access to Schedule II, III, or IV controlled substances by:

- (1) Requiring a prescriber to consult the State's Electronic Prescription Accountability System, also known as the Hawaii Prescription Drug Monitoring Program (PDMP), before prescribing the controlled substance in a quantity equaling a supply of seven days or longer, subject to certain exemptions; and
- (2) Appropriating funds to the Department of Public Safety to improve the functionality and reliability of the PDMP.

Your Committee on Conference finds that certain prescribers of controlled substances are required to register with the Department of Public Safety to use the PDMP and are required to report any relevant information prior to dispensing a controlled substance. However, your Committee on Conference finds that prescribers are not required to consult the PDMP before writing a prescription. Your Committee on Conference finds that since drug overdose rates have increased catastrophically in Hawaii, requiring prescribers to consult the PDMP prior to writing a prescription may reduce access to potentially addictive substances. Your Committee on Conference also finds that the violations proposed by this measure are best policed by the appropriate professional licensing boards.

Your Committee on Conference has amended this measure by:

- (1) Broadening the requirement under which prescribers of controlled substances must consult with the PDMP by having the requirement applicable to all prescriptions for controlled substances, other than prescriptions of three days or less that are made in an emergency situation;
- (2) Deleting the appropriation to the Department of Public Safety to improve the PDMP;
- (3) Inserting an effective date of July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2646, S.D. 1, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2646, S.D. 1, H.D. 3, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Mizuno, Takumi, Nishimoto, Luke and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 2 (Nishimoto, Tupola).

Conf. Com. Rep. 124-18 on S.B. No. 2613

The purpose of this measure is to:

- (1) Authorize the county liquor commissions to issue new class 2 restaurant licenses before restaurants commence operation;
- (2) Clarify that class 2 restaurant licenses are transferrable; and
- (3) Require an applicant for a new class 2 restaurant license or a transferee to certify that the applicant or transferee intends to and shall derive no less than thirty percent of the establishment's gross revenue from the sale of foods.

Your Committee on Conference finds that certain liquor commissions do not permit new licensees to apply directly for a restaurant license. Instead, licensees are first required to apply for a dispenser general license, which can only be upgraded after one year. Your Committee on Conference further finds that certain liquor commissions also do not allow restaurant licensee holders to transfer restaurant liquor licenses, which may have a negative impact on an operator's business, including a significant loss of value to the business. This measure therefore clarifies that a new restaurant liquor license may be issued by a liquor commission prior to the restaurant commencing operation. This measure also clarifies that a class 2 restaurant liquor license is transferrable, but retains the liquor commissions' ability to downgrade a license if the licensee ultimately does not meet the thirty percent food-sales threshold required of restaurant licensees.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2613, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2613, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Chang and Ihara.

Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Nishimoto, Cullen, Cachola and Thielen.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Thielen).

Conf. Com. Rep. 125-18 on H.B. No. 1646

The purpose of this measure is to establish an automatic procedure that allows Hawaii's newly-elected United States Senators, under certain circumstances, to begin their terms of office with greater seniority thereby maximizing their ability to represent the State. Specifically, this measure requires the Governor to appoint a newly-elected Senator to office if the incumbent vacates the office prior to the expiration of the incumbent's term.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1646, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1646, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Nishimoto, Kobayashi, San Buenaventura and Thielen.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 126-18 on H.B. No. 1770

The purpose of this measure is to appropriate funds for a grant-in-aid to the City and County of Honolulu Department of the Prosecuting Attorney for the career criminal prosecution unit.

Your Committee on Conference has amended this measure by changing:

- (1) The appropriation amount from an unspecified amount to \$350,000; and
- (2) Its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1770, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1770, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 127-18 on H.B. No. 2418

The purpose of this measure is to authorize the Department of Education to expend previously appropriated funds to satisfy the settlement of class counsel attorney's fees related to a class action lawsuit against the State

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2418, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2418, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 128-18 on H.B. No. 1614

The purpose of this measure is to establish an automatic restraining order that issues upon the filing of a complaint in a proceeding for annulment, divorce, or separation. The automatic restraining order is intended to:

- (1) Preserve the financial assets of the parties and their dependents; and
- (2) Maintain the current island of residence and school of enrollment of a minor child of the parties.

Your Committee on Conference has amended this measure by changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1614, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1614, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Rhoads, Kim and Taniguchi.
Managers on the part of the Senate.
Ayes, 2. Noes, none. Excused, 1 (Taniguchi).

Representatives San Buenaventura, Cullen and Thielen.
Managers on the part of the House.
Ayes, 2. Noes, none. Excused, 1 (Thielen).

Conf. Com. Rep. 129-18 on S.B. No. 2237

The purpose of this measure is to:

- (1) Transfer fee interest in certain public school lands from the City and County of Honolulu and Department of Land and Natural Resources, as applicable, to the Department of Education; and
- (2) Exempt transferred lands from classification as public lands.

Your Committee on Conference finds that many public schools in Hawaii require extensive renovation or rebuilding, and that this process is unnecessarily complicated by having state schools on county land, or situated on both county and state land. Transferring a fee simple interest for county school lands to the State will greatly simplify the process of undertaking much needed repairs and renovations.

Your Committee on Conference has amended this measure by:

- (1) Inserting the contents of the S.D. 2 version, which:
 - (A) Requires the City and County of Honolulu to transfer to the Department of Education all property upon which a public elementary or intermediate school is situated;
 - (B) Gives the Department of Education power to acquire and hold title to real, personal, or mixed property for use for public educational purposes; and
 - (C) Requires legislative approval prior to the sale or gift of lands to which the Department of Education holds title;
- (2) Clarifying the purpose of the measure as it relates to the transfer of lands owned, operated, maintained, and managed by the City and County of Honolulu, some of which are public park lands;
- (3) Specifying that work to initiate the transfer of parcels identified in this measure shall start no later than December 31, 2018;
- (4) Inserting language that requires the Department of Education to incur all fees and costs associated with, and for, the subdividing of the land;
- (5) Specifying that the Department of Education is prohibited from selling any property, real or personal, or any interest therein, except to a government entity;
- (6) Clarifying the definition of "real property" as it relates to agreed upon easements;
- (7) Specifying that the lands conveyed under this measure shall revert back to the City and County of Honolulu if the land is not used for public educational purposes;
- (8) Inserting an appropriation amount of \$100,000 as a grant-in-aid to the City and County of Honolulu to prepare, execute, and record the quitclaim deeds;
- (9) Changing the effective date to upon approval; provided that the appropriation section shall take effect on July 1, 2018; and
- (10) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee on Conference further finds that some of the parcels of land being transferred and subdivided pursuant to this measure were previously used as park land.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2237, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2237, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Woodson, Yamane, Todd, Hashem and Ward.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 130-18 on S.B. No. 2790

The purpose of this measure is to amend chapter 587A, Hawaii Revised Statutes, by repealing the guiding principles for children in foster care and replacing the section with the rights of children in foster care.

Your Committee on Conference finds that in 2015, roughly two thousand youth were in foster care in the State. The new section proposed by this measure codifies best practices that have been developed with input from former and current foster care youth and aligns with Public Law 113-183, which requires the rights of a child aged fourteen and older regarding education, health, visitation, and court participation to be documented in the child's case plan and requires a signed acknowledgment of the provision of these rights. Your Committee on Conference further finds that the new section proposed by this measure includes additional rights, such as culturally responsive services, requests for an attorney, and transportation to attend the school of origin. The rights of foster care children are a priority, and this measure provides these individuals additional protections and rights to lead successful lives.

Your Committee on Conference has amended this measure by:

- (1) Simplifying rights relating to living in a home; receiving food, shelter, and clothing; health insurance plan enrollment; and health assessment and treatment;
- (2) Clarifying that the rights of children in foster care established by this measure shall not give rise to a private cause of action for a violation of any right under the applicable law; and
- (3) Changing the effective date to upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2790, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2790, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Taniguchi, Chang and Thielen.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Chang).

Representatives Mizuno, San Buenaventura, Kobayashi and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 131-18 on S.B. No. 2909

The purpose of this measure is to:

- (1) Require the Legislative Reference Bureau to conduct a study that examines consolidating the law enforcement activities and responsibilities of various state divisions and agencies under a single, centralized state enforcement division or agency and submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the 2019 Regular Session; and
- (2) Appropriate funds to the Legislative Reference Bureau for the purposes of this measure.

Your Committee on Conference finds that the distribution of duties between multiple state agencies for the purposes of law enforcement is unnecessary and inefficient. Under existing law, the Departments of Land and Natural Resources, Public Safety, and Transportation all have independent law enforcement duties. However, your Committee on Conference finds that these agencies engage in some law enforcement activities. Therefore, your Committee on Conference finds that the Legislative Reference Bureau should conduct a study to examine the logistics and efficiencies of consolidating the law enforcement activities and responsibilities of various state divisions and agencies under a single, centralized state enforcement division or agency.

Your Committee on Conference has amended this measure by:

- (1) Removing language making an appropriation to the Legislative Reference Bureau to complete the study;
- (2) Changing the effective date to July 1, 2018; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2909, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2909, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kim, Taniguchi, Nishihara, Kahele and Ruderman.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

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

Conf. Com. Rep. 132-18 on H.B. No. 2131

The purpose of this measure is to address the manner in which sexual assault evidence collection kits are processed and tracked and to ensure that victims of sexual assault are informed of their rights under the law.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that DNA profiles be developed from isolation of all DNA, rather than just autosomal DNA;
- (2) Correcting a reference to federal law;
- (3) Specifying that the annual reports to the President of the Senate and the Speaker of the House of Representatives also include the number of prosecutions initiated as a result of an actionable Combined DNA Index System hit on sexual assault evidence collection kits collected prior to July 1, 2016;
- (4) Specifying the amount appropriated out of the DNA Registry Special Fund to be \$350,743;
- (5) Deleting the proviso requiring the Department of the Attorney General to expend \$350,743 in addition to the amount appropriated;
- (6) Changing its effective date to July 1, 2018;
- (7) Changing the delayed effective date for the implementation of procedures for unreported sexual assault evidence collection kits to January 1, 2019; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2131, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2131, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 133-18 on H.B. No. 2306

The purpose of this measure is to provide that the amount appropriated in Act 183, Session Laws of Hawaii 2017, shall be deposited into the Food Safety Certification Costs Grant Program Special Fund (Special Fund) and that the same sum shall be appropriated out of the Special Fund for fiscal year 2018-2019 for the Food Safety Certification Costs Grant Program (Program), provided that any funds that are unencumbered as of June 30, 2019, shall lapse to the credit of the general fund.

Your Committee on Conference has amended this measure by:

- (1) Deleting the discussion relating to the inadvertent failure to deposit into and subsequently transfer the \$500,000 appropriation from the Special Fund to the Program during fiscal year 2017-2018;
- (2) Repealing the Special Fund; and
- (3) Appropriating \$500,000 of general revenues of the State for fiscal year 2018-2019 to be expended by the Department of Agriculture for the Program.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2306, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2306, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 134-18 on H.B. No. 1577

The purpose of this measure is to assist the State in meeting its Aloha+ Challenge goal of seventy percent waste stream reduction by 2025 by encouraging the use of compost:

- (1) In Department of Education (DOE) schools by:
 - (A) Establishing a Composting Grant Pilot Project Working Group (Working Group) to develop guidelines, make grant recommendations, and provide oversight for campus composting; and

- (B) Appropriating funds to the DOE to establish and implement the Working Group and to provide grants for school composting projects pursuant to the Working Group's recommendations; and
- (2) In agricultural operations by:
- (A) Requiring the Department of Agriculture (DOA) to establish and implement a three-year Compost Reimbursement Pilot Program to provide reimbursement to Hawaii farmers and ranchers for the purchase of compost and report on the Program to the Legislature;
- (B) Establishing a full-time, temporary Compost Reimbursement Pilot Program Manager position within DOA; and
- (C) Appropriating funds to DOA for the Compost Reimbursement Pilot Program.

Your Committee on Conference has amended this measure by:

- (1) Deleting provisions relating to the DOE Working Group and grants and appropriating funds to the DOE;
- (2) Appropriating \$1,000,000 to the DOA for the Compost Reimbursement Pilot Program and authorizing expenditure of:
- (A) \$50,000 per year to establish a full-time temporary program manager position for the pilot program; and
- (B) \$20,000 per year for program and administrative costs of the pilot program;
- (3) Changing the effective date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1577, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1577, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 135-18 on H.B. No. 1802

The purpose of this measure is to amend the cesspool upgrade, conversion, or connection income tax credit pilot program by repealing the provision that restricts the Department of Health from certifying more than two residential large capacity cesspools as qualified cesspools.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1802, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1802, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Lee, Mizuno, Lowen, Keohokalole and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Keohokalole).

Conf. Com. Rep. 136-18 on H.B. No. 1916

The purpose of this measure is to require the Executive Office on Aging (Office) to biennially update the State Plan on Alzheimer's Disease and Related Dementias (State Plan), which will include a work plan specifying the tasks, timelines, and milestones for each goal of the State Plan. This measure also requires the Office to include information on its progress towards each goal in its annual report to the Legislature.

Your Committee on Conference has amended this measure by:

- (1) Deleting the appropriation provision; and
- (2) Changing its effective date to be upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1916, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1916, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Mizuno, Kobayashi, Learmont and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 137-18 on H.B. No. 2277

The purpose of this measure is to establish the East Hawaii Child Welfare Services Pilot Project, a five-year pilot project, within the Department of Human Services to ensure the safety and well-being of at-risk children and families in east Hawaii on Hawaii island by:

- (1) Limiting the number of children supervised by each east Hawaii Child Welfare Services Section social worker to twenty or fewer;
- (2) Appropriating funds for hiring additional case managers, administrative costs for the east Hawaii Child Welfare Services Section on Hawaii island, and travel costs for the Child Welfare Services Division to train new hires;
- (3) Appropriating funds for the cost of appointing guardians ad litem for minors and court-appointed legal counsel for parents of minors in child welfare cases in the third circuit; and
- (4) Requiring the Department of Human Services to submit reports about the pilot project to the Legislature no later than twenty days prior to each Regular Session until 2025.

Your Committee on Conference has amended this measure by:

- (1) Removing from the pilot project the six-month goal of limiting the number of children supervised by each east Hawaii Child Welfare Services Section social worker;
- (2) Changing the appropriation for establishing additional positions, administrative costs for the east Hawaii Child Welfare Services Section on Hawaii island, and travel costs for the Child Welfare Services Division to train new hires by:
 - (A) Specifying the appropriation amount as \$321,598;
 - (B) Changing the number of full-time equivalent positions from eight to four; and
 - (C) Changing the position title from case manager to child/adult protective services specialist;
- (3) Removing the appropriation for the costs of appointing guardians ad litem for minors and court-appointed legal counsel for parents of minors in child welfare cases in the third circuit;
- (4) Changing its effective date to upon approval, provided that the appropriation takes effect on July 1, 2018; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee on Conference requests that the Department of Human Services submit to the Legislature a report on the status of filling the four full-time equivalent child/adult protective services specialist positions established by this Act, no later than twenty days prior to the convening of the Regular Session of 2019.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2277, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2277, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Shimabukuro, Chang and Wakai.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Wakai).

Representatives Mizuno, Todd, Learmont, Nakashima and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Nakashima).

Conf. Com. Rep. 138-18 on S.B. No. 2384

The purpose of this measure is to:

- (1) Allow the Department of Education to develop a comprehensive plan to integrate design thinking and coding in middle, intermediate, and high school curriculums; and
- (2) Require that any such plan developed by the Department of Education, including any proposed legislation, be submitted to the Legislature prior to the 2019 Regular Session.

Your Committee on Conference finds that many of Hawaii's public schools have already implemented courses in science, technology, engineering, and math, also known as the STEM fields, in their curriculum. However, many curriculums are designed to solely focus on outcome-based results and potential economic impact, which may compromise innovation and creativity when applied to the STEM fields. Design thinking is an approach to learning, collaboration, and problem solving that is structured for identifying challenges, gathering information, generating potential solutions, refining ideas, and testing solutions. Including design thinking in curriculums can improve and enhance the curriculum and assist students in creatively solving problems.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2384, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2384, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 139-18 on S.B. No. 2382

The purpose of this measure is to require the Department of Accounting and General Services to:

- (1) Conduct biennial surveys of all departments concerning any unused facilities that may be used by public charter schools and maintain an inventory of all such unused facilities; and
- (2) Provide biennial reports on the inventory to the State Public Charter School Commission.

Your Committee on Conference finds that facilities funding is the greatest financial burden upon public charter schools. Many charter schools improvise by using temporary structures for instruction. By requiring the Department of Accounting and General Services to compile and maintain an inventory of unused departmental facilities that may be used by public charter schools, these public charter schools can continue to provide quality education in facilities that help to ensure the financial, academic, and organizational health of public charter schools.

Your Committee on Conference has amended this measure by changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2382, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2382, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Woodson, Cullen, Kong, Ohno and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Ohno).

Conf. Com. Rep. 140-18 on S.B. No. 2351

The purpose of this measure is to prohibit:

- (1) Prospective employers from requesting or considering a job applicant's prior wage or salary history in the job application process; and
- (2) Enforced wage secrecy and prohibit retaliation or discrimination against employees who disclose, discuss, or inquire about their own or coworkers' wages for the purpose of exercising rights under the law.

Your Committee on Conference finds that pay disparity persists between men and women who do similar work. Existing Hawaii law generally prohibits an employer from paying an employee at wage rates less than the rates paid to employees of the opposite sex; however, in 2015, the gender wage gap for women in comparison to men in Hawaii stood at eighty-four cents on the dollar and less than eighty cents on the dollar for women of color. This wage gap extends across almost all occupations reporting in Hawaii. Your Committee on Conference further finds that the ability of employers to consider a job applicant's previous salary history and pay secrecy are contributing factors to the gender pay disparity therefore, this measure is a step toward promoting equality in the workplace and ending pay discrimination against women, particularly women of color.

Your Committee on Conference has amended this measure by changing the effective date to January 1, 2019.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2351, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2351, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Johanson, Nishimoto, Cullen, Ichiyama and Matsumoto.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 141-18 on S.B. No. 2346

The purpose of this measure is to:

- (1) Establish the address confidentiality program in the Department of the Attorney General to help survivors of domestic abuse, sexual assault, and stalking to relocate and keep the location of their physical address confidential; and
- (2) Make an appropriation to the Department of the Attorney General for implementation and operation of the address confidentiality program.

Your Committee on Conference finds that survivors of domestic abuse, sexual offenses, or stalking may move to a new address in order to prevent being found by an assailant or potential assailant, but moving to a new address only provides protection if the assailant or potential assailant does not discover the new address. Maintaining the confidentiality of a new address is especially difficult in a location such as an island where space is limited. Each time a survivor is forced to provide an address for public agencies, employment, or court documents, the risk that the address will be discovered by an assailant or potential assailant increases. An address confidentiality program will provide protection and additional safety for survivors of domestic abuse, sexual offenses, or stalking.

Your Committee on Conference has amended this measure by:

- (1) Changing the language relating to service of process for court orders requiring the disclosure of a program participant's actual address to match language relating to service of process already established elsewhere in the measure;
- (2) Removing the appropriation to the Department of the Attorney General;
- (3) Changing the effective date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2346, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2346, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Keith-Agaran, Kim and Thielen.

Managers on the part of the Senate.

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

Representatives Nishimoto, Luke, San Buenaventura and Thielen.

Managers on the part of the House.

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

Conf. Com. Rep. 142-18 on S.B. No. 2693

The purpose of the measure is to appropriate moneys for the planning of the Thirteenth Festival of Pacific Arts, which is to be hosted in the State in 2020.

Your Committee on Conference finds that planning and hosting the Thirteenth Festival of the Pacific Arts will increase international appreciation of the State's culture and help to create a global market for the State's art, ideas, and products.

Your Committee on Conference has amended this measure by:

- (1) Changing the appropriation from an unspecified amount to \$950,000;
- (2) Changing the effective date from June 15, 1215, to July 1, 2018; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2693, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2693, S.D. 1, H.D. 1, C.D. 1.

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

Senators Keith-Agaran, Galuteria and English.

Managers on the part of the Senate.

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

Representatives LoPresti, Fukumoto, Choy and Ward.

Managers on the part of the House.

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

Conf. Com. Rep. 143-18 on S.B. No. 2514

The purpose of this measure is to provide that, for the purpose of the general excise tax law, a person is engaging in business in the State if, in the current or immediately preceding calendar year, the person has either:

- (1) \$100,000 or more in gross income or gross proceeds from the sale of tangible personal property delivered in the State, services used or consumed in the State, or intangible property used in the State; or

- (2) Two hundred or more separate sales transactions thereof.

Your Committee on Conference finds that this measure will clarify the circumstances under which a person will be considered to be engaged in business in the State and therefore subject to the general excise tax. Your Committee on Conference further finds that this measure will ensure fair competition among all businesses, regardless of location, that sell goods and services in the State.

Your Committee on Conference has amended this measure by changing its effective date from July 1, 2030, to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2514, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2514, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Luke, Cullen and McDermott.
Managers on the part of the House.
Ayes, 2. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 144-18 on S.B. No. 2571

The purpose of this measure is to preserve marine ecosystems, including coral reefs, by:

- (1) Beginning July 1, 2019, prohibiting the sale, offer for sale, and distribution for sale in Hawai'i of any sunscreen containing oxybenzone or octinoxate, or both, without a prescription from a licensed healthcare provider;
- (2) Prohibiting a county from enacting any ordinance or regulatory restriction to prohibit the sale, use, labeling, packaging, handling, distribution, or advertisement of sunscreens containing oxybenzone or octinoxate, or both, prior to July 1, 2019; and
- (3) Appropriating funds to the Department of Land and Natural Resources for outreach and education on the prohibition and environmental impacts of sunscreen containing oxybenzone and octinoxate.

Your Committee on Conference finds that two chemicals contained in many sunscreens, oxybenzone and octinoxate, have significant harmful impacts on the marine environment and ecosystems of Hawai'i, including coral reefs that protect the shoreline. Furthermore, as the environmental contamination of oxybenzone and octinoxate is constantly refreshed and renewed daily by swimmers and beachgoers who apply sunscreens containing these two chemicals, the contamination persists in the coastal waters of Hawai'i. By prohibiting the sale and distribution in Hawai'i of sunscreens containing oxybenzone or octinoxate, or both, without a prescription, this measure preserves marine ecosystems, including coral reefs, in Hawai'i.

Your Committee on Conference has amended this measure by:

- (1) Delaying from July 1, 2019, to January 1, 2021, the beginning date from which the sale and distribution of sunscreens containing oxybenzone or octinoxate, or both, are prohibited;
- (2) Prohibiting a county from enacting an ordinance or regulatory restriction to prohibit the sale, distribution, or advertisement of sunscreens containing oxybenzone or octinoxate, or both, prior to January 1, 2021, rather than July 1, 2019;
- (3) Clarifying that sunscreen is a product marketed or intended for topical use to prevent sunburn and does not include products marketed or intended for use as a cosmetic for the face;
- (4) Removing the appropriation to the Department of Land and Natural Resources for outreach and education on the prohibition and environmental impacts of sunscreen containing oxybenzone and octinoxate; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2571, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2571, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Rhoads, Gabbard, Baker, English, Dela Cruz and Riviere.
Managers on the part of the Senate.
Ayes, 6. Noes, none. Excused, none.

Representatives Lee, Takumi, Luke, Todd and Ward.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 145-18 on S.B. No. 2990

The purpose of this measure is to establish paid family leave for all employees in the State and lay the groundwork to implement a framework of laws and policies so that all employees can access leave benefits during times when they need to provide care for a family member.

Among other things, this measure:

- (1) Establishes a temporary paid family leave implementation board (Board) within the Department of Human Services (DHS) to assist in establishing paid family leave for all workers in the State and to report on implementation to the Legislature;
- (2) Establishes the paid family leave special fund to support expenditures for staff and other administrative and operational costs of establishing paid family leave;
- (3) Establishes the paid family leave supplementation special fund to provide small business assistance grants to employers with fifty or fewer employees to offset wage costs;
- (4) Specifies that by January 1, 2020, DHS shall adopt interim rules, exempt from Chapter 91, Hawaii Revised Statutes, that establish and codify paid family leave for all workers in the State;
- (5) Specifies that DHS's interim rules shall remain in effect until January 1, 2022, or until rules are adopted, pursuant to chapter 91, Hawaii Revised Statutes, whichever occurs sooner;
- (6) Specifies that collection of payments under the paid family leave program shall begin by July 1, 2021, and the processing of payments shall begin by July 1, 2022;
- (7) Requires the Legislative Reference Bureau (LRB) to conduct an analysis of specified items to be included in the Board's report to the Legislature; and
- (8) Appropriates funds for LRB to conduct its analysis and to DHS to fund a full-time program manager to support the Board, the expenses of the Board, and the expenses of DHS in establishing paid family leave.

Your Committee on Conference finds that Hawaii's working families are especially vulnerable, and that the majority of Hawaii's workforce cannot afford to take unpaid leave to provide care for a newborn, bond with a new child, care for a family member with a serious health condition, or be a caregiver to an aging parent. Yet, for 240,000 employees who serve as primary caregivers to a family member, this is the dilemma they face. Your Committee on Conference further finds that seven in ten children live in a household where both parents work, and over a quarter of children live in households with single parents; therefore, a lack of meaningful paid family leave policies puts them most at risk. Your Committee on Conference also finds that the Legislature must ensure that it has the best information available prior to determining the most appropriate framework or model for the establishment of paid family leave for the State and relative potential impacts and safeguard measures.

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

- (1) Deleting language that would have established a paid family leave special fund and paid family leave supplementation special fund;
- (2) Deleting language that would have required DHS to adopt rules to establish and codify paid family leave for all workers in the State by January 1, 2020;
- (3) Deleting language that would have established the Board;
- (4) Requiring the LRB to conduct a sunrise analysis and submit a report to the Legislature of the impacts and potential frameworks or models for paid family leave in the State by September 1, 2019;
- (5) Specifying the scope of the sunrise analysis;
- (6) Authorizing the LRB to request and obtain any data from relevant state departments and agencies necessary to conduct the sunrise analysis;
- (7) Updating the purpose section;
- (8) Inserting an appropriation amount of \$350,000 for LRB to conduct the sunrise analysis;
- (9) Specifying that the LRB may contract the services of a consultant to assist in conducting the sunrise analysis;
- (10) Changing the effective date to July 1, 2018; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2990, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2990, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Johanson, Luke and Tupola.
Managers on the part of the House.
Ayes, 2. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 146-18 on H.B. No. 2538

The purpose of this measure is to address the disposal of solid waste and the high cost of livestock feed in the State by authorizing the issuance of \$4,000,000 in general obligation bonds to finance the planning, design, and construction of a livestock feed mill using waste materials by the Agribusiness Development Corporation in partnership with a viable and qualified entity to establish such a

livestock feed mill operation. This measure further lapses the appropriations for a feed lot and thermophilic biodigester in the General Appropriations Act of 2015, as amended through and including the General Appropriations Act of 2017 (Budget).

Your Committee on Conference has amended this measure by:

- (1) Amending specified items in the Capital Improvement Projects part of the Budget related to a livestock feed mill and a waste stream recycling facility in the General Appropriations Act of 2015, as amended;
- (2) Changing the lapsing date of the appropriations in the Budget to June 30, 2019; and
- (3) Changing its effective date to upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2538, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2538, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, English and Nishihara.

Managers on the part of the Senate.

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

Representatives Creagan, Cullen, Yamashita and Thielen.

Managers on the part of the House.

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

Conf. Com. Rep. 147-18 on H.B. No. 1932

The purpose of this measure is to:

- (1) Authorize state and county agencies to adopt emergency rules to account for changes in controlling and superseding federal legislation or federal or state court decisions, subject to requirements for thirty days notice and public hearing; and
- (2) Specify that such emergency rules shall be effective until the Legislature has passed legislation relating to the subject matter of the emergency rule and the legislation has either been enacted or vetoed by the Governor.

Your Committee on Conference has amended this measure by:

- (1) Specifying that an emergency rule adopted pursuant to this measure shall be effective until no later than adjournment sine die of the next regular legislative session following adoption of the emergency rule;
- (2) Changing its effective date to upon approval; and
- (3) Making technical, nonsubstantive amendments to distinguish emergency rules adopted pursuant to this measure due to changes in controlling and superseding law from emergency rules adopted pursuant to existing statutory authority due to imminent peril to the public health, safety, or morals, or to livestock or poultry health.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1932, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1932, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kim, Taniguchi, Ruderman and Thielen.

Managers on the part of the Senate.

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

Representatives Johanson, Holt, Ichiyama and Ward.

Managers on the part of the House.

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

Conf. Com. Rep. 148-18 on H.B. No. 2071

The purpose of this measure is to:

- (1) Require the Governor to appoint a law enforcement working group to recommend professional recruitment, hiring, and training standards for all state and county law enforcement officers who carry firearms and badges and who have arrest authority; and
- (2) Prohibit law enforcement officers who are terminated for misconduct by a state or county department, agency, or office in a law enforcement capacity from being hired by another state or county law enforcement department, agency, or office unless the officer is reinstated through collective bargaining or the legal process.

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

- (1) Establish a Law Enforcement Standards Board (Board) to provide standards and programs for training and certification of law enforcement officers;
- (2) Prospectively require the appointment and employment of only Board-certified law enforcement officers for specified state agencies and county police departments;

- (3) Require the Board to adopt rules pursuant to Chapter 91, Hawaii Revised Statutes, that establish criteria for the certification process, as well as the denial, suspension, or revocation of a law enforcement officer's certification;
- (4) Establish the Law Enforcement Standards Board Special Fund (Special Fund);
- (5) Appropriate \$100,000 out of the general fund into the Special Fund for the purposes of the measure; and
- (6) Make July 1, 2018, the effective date of the measure.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2071, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2071, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Tokuda, Taniguchi and Galuteria.

Managers on the part of the Senate.

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

Representatives Johanson, Nishimoto, Holt, Keohokalole and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 149-18 on H.B. No. 1778

The purpose of this measure is to:

- (1) In the event of a controverted workers' compensation claim, require an injured employee's private health care plan to pay for or provide medical care, services, and supplies in accordance with the private health care contract; provided that the employer shall reimburse the private health care plan and the injured employee when the claim is accepted; and
- (2) In the event of an accepted workers' compensation claim for leukemia, multiple myeloma, non-Hodgkin lymphoma, or certain other cancers by firefighters with five or more years of service, require employers to be liable for an unspecified percentage of fees for medical care, services, and supplies associated with the claim.

Your Committee on Conference has amended this measure by:

- (1) Specifying a maximum limit of one hundred fifty percent of fees, as prescribed in the Medicare Resource Based Relative Value Scale, for medical care, services, and supplies that an employer is liable for related to accepted workers' compensation claims for leukemia, multiple myeloma, non-Hodgkin lymphoma, or certain other cancers by firefighters with five or more years of service; and
- (2) Changing its effective date to take effect upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1778, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1778, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Baker and Keith-Agaran.

Managers on the part of the Senate.

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

Representatives Johanson, Takumi, Holt and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 150-18 on H.B. No. 1489

The purpose of this measure is to promote civil rights in education.

More specifically, the measure provides for a state corollary to Title IX of the Educational Amendments of 1972 (20 U.S.C. 1681 et seq.) (Title IX) that prohibits discrimination on the basis of sex, including gender identity or expression or sexual orientation, in any state educational program or activity or any state-funded educational program or activity.

Your Committee on Conference finds that although Title IX triggered a seismic shift in the education landscape by prohibiting discrimination on the basis of sex by any education program or activity receiving federal funds, the efficacy of Title IX federal protections against sex discrimination in education has been more recently diminished and eroded. Your Committee therefore believes that it is time for the State to consider and address the need for a corollary to Title IX in state law.

Your Committee on Conference has amended this measure by:

- (1) Deleting certain sex-specific exemptions to the general anti-discrimination provisions of the measure;
- (2) Deleting various provisions relating to enforcement and remedies;
- (3) Deleting all references to the Hawaii Civil Rights Commission;
- (4) Inserting the anti-discrimination provisions of the measure into a new chapter within Title 20 of the Hawaii Revised Statutes;

- (5) Inserting a section, effective July 1, 2018, that requires the Legislative Reference Bureau to:
- (A) Conduct a study of existing Title IX procedures at the federal level and in other jurisdictions; and
 - (B) Submit to the Legislature, no later than twenty days prior to the convening of the Regular Session of 2019, a report including findings, recommendations, and proposed legislation concerning an appropriate enforcement mechanism for the anti-discrimination provisions of the measure; and
- (6) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

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

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Taniguchi, English and Rhoads.

Managers on the part of the Senate.

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

Representatives Johanson, Nishimoto, Luke, Ichiyama, Yamashita and McDermott.

Managers on the part of the House.

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

Conf. Com. Rep. 151-18 on S.B. No. 2293

The purpose of this measure is to:

- (1) Require the County of Maui to pursue available remedies to recoup any and all monies expended for the Front Street Apartments affordable housing project from the leasehold fee owners and owners of the improvements constructed thereon, or their successors in interest in the construction of the Front Street Apartments as an affordable housing project;
- (2) Appropriate out of the Hawaii Housing Finance and Development Corporation's rental assistance program an unspecified amount for the Corporation to maintain affordable rents to the Front Street Apartments tenants by providing a three-year rent subsidy; provided that the leasehold fee and improvement owners, or their successors, provide dollar-for-dollar matching funds, and if no matching funds are provided, prohibiting the leasehold fee and improvement owners, or their successors, from doing business in the State; and
- (3) Appropriate an unspecified amount out of the Hawaii Housing Finance and Development Corporation revenues to expedite and complete the construction of Leialii affordable housing project in Lahaina, Maui, by 2021, provided that the County of Maui expedites the planning and permitting process for the Leialii affordable housing project.

Your Committee on Conference finds that the Front Street Apartments on Maui provide affordable housing to more than two hundred fifty low-income residents. These apartments were developed in 2001 as an affordable rental housing project with one hundred forty-two apartment units, using state financing and state tax credits, and were expected to remain affordable to low-income tenants for fifty years. However, the owners of the Front Street Apartments recently exercised an option to remove the property from affordability requirements that were tied to the development of the property, and this change will allow them to begin renting available apartments at market rates and likely raise rents for existing tenants within a few years. This measure provides a mechanism to assist in preserving the Front Street Apartments on Maui as an affordable rental housing project.

Your Committee on Conference has amended this measure by removing its contents and inserting language that:

- (1) Requires the Hawaii Housing Finance and Development Corporation to institute proceedings for the condemnation of the ground lease for the Front Street Apartments affordable housing project;
- (2) Appropriates \$250,000 for an appraisal and other preparations for instituting the condemnation proceedings, provided that the County of Maui provides dollar-for-dollar matching funds;
- (3) Appropriates \$30,000,000 out of the rental housing revolving fund to expedite and complete the construction of the Leialii affordable housing project in Lahaina, Maui, by 2021; and
- (4) Changes the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2293, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2293, S.D. 2, H.D. 3, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Espero, Riviere and Ruderman.

Managers on the part of the Senate.

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

Representatives Brower, Johanson, Luke, Hashimoto, Nakamura and McDermott.

Managers on the part of the House.

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

Conf. Com. Rep. 152-18 on H.B. No. 1401

The purpose of this measure is to reduce the logistical issues related to conducting elections at polling places by:

- (1) Requiring all elections statewide to be conducted by mail beginning with the 2020 primary election;
- (2) Establishing a limited number of voter service centers that would remain open on the day of an election; and
- (3) Providing additional places for personal delivery of mail-in ballots.

Your Committee on Conference has amended this measure by:

- (1) Changing the elections by mail program from a statewide program for all elections to a pilot program for the 2020 primary and general elections in any county with a population of less than 100,000;
- (2) Appropriating \$75,450 for the implementation and administration of the pilot program; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1401, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1401, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Keith-Agaran and Rhoads.

Managers on the part of the Senate.

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

Representatives Nishimoto, Luke, Morikawa, Nakamura and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 153-18 on S.B. No. 2074

The purpose of this measure is to extend the period of time during which the Department of Agriculture may certify important agricultural land qualified agricultural cost tax credits through December 31, 2028.

Your Committee on Conference finds that to address the issue of important agricultural lands, Act 183, Session Laws of Hawaii 2005 (Act 183), established standards, criteria, and mechanisms to identify important agricultural lands and to implement the intent and purpose of article XI, section 3, of the Hawaii State Constitution. Act 233, Session Laws of Hawaii 2008, subsequently established incentives under the requirements of Act 183, including the important agricultural land qualified agricultural cost tax credit. Your Committee on Conference finds that this measure provides additional time for certification of such tax credits to allow landowners and farmers to claim the tax credit in the event their agricultural lands are identified as potential important agricultural lands and designated as such by the Land Use Commission.

Your Committee on Conference has amended this measure by:

- (1) Shortening the extension period during which the Department of Agriculture may certify important agricultural land qualified agricultural cost tax credits through December 31, 2021; and
- (2) Changing the effective date to upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2074, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2074, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, English and Nishihara.

Managers on the part of the Senate.

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

Representatives Creagan, Cullen, Yamashita and Thielen.

Managers on the part of the House.

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

Conf. Com. Rep. 154-18 on S.B. No. 3095

The purpose of this measure is to:

- (1) Establish a pesticide reporting and regulation program that:
 - (A) Specifies the reporting requirements for commercial agricultural entities regarding the use of restricted use pesticides to the Department of Agriculture (DOA) and deems those reports as public records; and
 - (B) Prohibits the use of a restricted use pesticide within 100 feet of a school during school instructional hours, beginning one year after the effective date of this measure;
- (2) Deposit all penalties and fines collected for violations of the Hawaii Pesticides Law into the pesticide use revolving fund;
- (3) Increase the cap on the amount of funds that may remain in the pesticide use revolving fund at the close of each fiscal year from \$250,000 to \$1,000,000;

- (4) Beginning January 1, 2019, prohibit the use or application of any pesticide containing chlorpyrifos as an active ingredient, unless the DOA grants a temporary permit authorizing the permittee, until December 31, 2021, to do so;
- (5) Appropriate \$105,648 from the pesticide use revolving fund and authorize two full-time equivalent positions to effectuate the pesticide reporting and regulation program; and
- (6) Appropriate \$300,000 from the pesticide use revolving fund for education and outreach for the pesticide reporting and regulation program.

Your Committee on Conference finds that many residents in the State are very concerned about the long-term health effects and potential negative impacts of pesticide drift, especially from pesticides containing chlorpyrifos. Children can be exposed to pesticides applied on school grounds, pesticides that drift onto school grounds, or pesticide residues, which put them at risk of developmental delays and other health complications. This measure seeks to ensure that data is collected regarding restricted use pesticide use and that schools are protected from the potential negative effects of long-term pesticide exposure.

Your Committee on Conference has amended this measure by:

- (1) Making reporting requirements applicable to all users of restricted use pesticides, rather than just commercial agricultural entities;
- (2) Specifying that post-application reporting of restricted use pesticide use reported to the DOA is for departmental use, rather than deemed public record;
- (3) Requiring the information to be included in annual reports to the DOA to include a listing of all restricted use pesticides used, not only in outdoor applications, and the date on which applications occurred;
- (4) Requiring the DOA to produce summaries for public disclosure of pesticide use by county;
- (5) Clarifying that restricted use pesticides application is prohibited on or within 100 feet of a school property during normal school hours and that such prohibition does not apply to whole structure fumigation;
- (6) Clarifying that the post-application reporting and buffer zone requirements begin January 1, 2019;
- (7) Extending the authorization under a temporary permit for use or application of any pesticide containing chlorpyrifos until December 31, 2022;
- (8) Deleting language that would have required the DOA to publicly disclose the names of all persons applying for temporary permits for use or application of any pesticide containing chlorpyrifos;
- (9) Requiring the DOA to develop a pesticide drift monitoring study no later than July 1, 2019, and to submit a report of its findings to the Legislature no later than twenty days prior to the convening of the Regular Session of 2020;
- (10) Updating various definitions;
- (11) Adding an appropriation of \$300,000 from general revenues for the pesticide drift monitoring study;
- (12) Making appropriations from general revenues rather than out of the pesticide use revolving fund for the establishment of two full-time equivalent positions and for outreach and education; and
- (13) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 3095, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 3095, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Managers on the part of the Senate.

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

Representatives Creagan, Lee, Cullen and Ward.

Managers on the part of the House.

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

Conf. Com. Rep. 155-18 on S.B. No. 2027

The purpose of this measure is to:

- (1) Appropriate funds to continue and improve the coordinated statewide homeless initiative to prevent homelessness and rehouse homeless individuals and families; and
- (2) Require the Department of Human Services to use the appropriate funds to procure the services of a master contractor to manage subcontracts for services provided through the initiative.

Your Committee on Conference finds that since the inception of the coordinated statewide homeless initiative, the initiative has assisted over one thousand households and four thousand individuals by either preventing eviction or helping homeless families and individuals move into permanent housing. Your Committee on Conference further finds that evictions have dropped by twenty-five

percent in the City and County of Honolulu, while ninety-seven percent of households assisted by the initiative remain housed. This measure will continue to support individuals and families who seek housing assistance.

Your Committee on Conference has amended this measure by:

- (1) Deleting the requirement that the administration of the appropriated funds must conform to industry financial accounting and performance standards;
- (2) Deleting language exempting subcontracts to the master contract from chapters 42F, 103D, and 103F, Hawaii Revised Statutes;
- (3) Deleting language specifying the cost breakdown of the proposed appropriation;
- (4) Inserting an appropriation amount of \$1,500,000 to continue the coordinated statewide homeless initiative; and
- (5) Changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2027, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2027, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Green, Espero, English, Chang and Kahele.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 2 (English, Kahele).

Representatives Mizuno, Brower, Luke, Gates, Nakamura and Tupola.
Managers on the part of the House.
Ayes, 6. Noes, none. Excused, none.

Conf. Com. Rep. 156-18 on S.B. No. 270

The purpose of this measure is to:

- (1) Prohibit persons who are licensed to provide professional counseling in the State from engaging in, attempting to engage in, or advertising the offering of sexual orientation change efforts on minors; and
- (2) Establish the Sexual Orientation Counseling Task Force to address the concerns of minors seeking counseling on sexual orientation, gender identity, gender expressions, and related behavior.

Your Committee on Conference finds that according to the American Psychological Association, sexual orientation change efforts, also known as conversion therapy, tend to do more harm than good. Participants in sexual orientation change efforts report many negative consequences from these interventions, including anger, anxiety, depression, guilt, hopelessness, loss of social support, relationship problems with significant others and families, social isolation, suicidal thoughts, self-hatred, and sexual dysfunction. Your Committee on Conference further finds that all the leading professional organizations involved in the treatment of children have issued statements opposing sexual orientation change efforts, including the American Psychological Association, American Medical Association, American Academy of Pediatrics, American Psychiatric Association, and National Association of Social Workers.

Your Committee on Conference additionally finds that this measure prohibits specific state-licensed persons who are licensed to provide professional counseling from engaging in, attempting to engage in, or advertising sexual orientation change efforts on minors. In doing so, this measure regulates the conduct of state-licensed persons who provide professional counseling to minors under the age of eighteen, similar to existing consumer protection laws designed to protect the public against ineffective and unsafe treatment by Hawaii-licensed professionals. This measure also establishes the Sexual Orientation Counseling Task Force to address the concerns of minors seeking counseling on sexual orientation, gender identity, gender expressions, and related behavior.

Your Committee on Conference has amended this measure by:

- (1) Inserting a purpose section;
- (2) Changing the effective date to July 1, 2018; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 270, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 270, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 157-18 on S.B. No. 2653

The purpose of this measure is to:

- (1) Establish requirements for licensure by endorsement for physicians, surgeons, and osteopathic physicians; and
- (2) Appropriate an unspecified sum from the compliance resolution fund to implement the licensure by endorsement process.

Your Committee on Conference finds that Hawaii is facing a critical shortage of health care providers in almost every field of practice. Your Committee on Conference further finds that the Hawaii Medical Board (Board) currently lacks the ability to grant licensure by endorsement to physicians, surgeons, and osteopathic physicians who are fully qualified and licensed in another jurisdiction. This measure establishes licensure by endorsement requirements for physicians, surgeons, and osteopathic physicians, which will provide greater access to medical care in Hawaii and address the high volume of applications received from out-of-state physicians in a more streamlined manner.

Your Committee on Conference notes that this measure clearly ensures that the Board may only license physicians, surgeons, and osteopathic physicians who meet specific licensing requirements and who have not been previously disciplined by another medical or osteopathic medical board.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$104,000 out of the compliance resolution fund to implement the licensure by endorsement requirements;
- (2) Inserting a purpose section;
- (3) Changing its effective date to July 1, 2018; provided that the licensure by endorsement requirements shall take effect on December 31, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2653, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2653, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, English, Chang, Ruderman and Tokuda.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Tokuda).

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

Conf. Com. Rep. 158-18 on S.B. No. 2524

The purpose of this measure is to:

- (1) Prohibit residential or congregate use of sheds or other structures on agricultural lands;
- (2) Prohibit residential development on lands previously or currently in a preservation zoning district;
- (3) Require condominium property regimes to comply with county subdivision or equivalent requirements, subject to certain exceptions; and
- (4) Specify requirements for applications for registration of a project in a county agricultural zoning district or preservation zoning district.

Your Committee on Conference finds that expanded development of agricultural lands through the existing condominium property regime process may impact the long-term viability of these newly developed condominiums, as master planning is absent, particularly with respect to supporting county infrastructure. This measure therefore allows a county to participate in the condominium property regime review process, which will improve oversight of the development of residential condominium property regimes on agricultural lands.

Your Committee on Conference has amended this measure by:

- (1) For purposes of planned community associations, requiring the owner of any parcel of land subdivided as a condominium property regime in agricultural or preservation lands to provide public notice of the sale no later than ninety days after the sale of the parcel;
- (2) Clarifying that sheds or other structures constructed on agricultural lands that are subdivided and leased for agricultural uses or activities cannot be used for residential purposes, unless such use is permitted under county ordinances and rules;
- (3) Clarifying that no residential development is to be constructed on agricultural lands that are currently in a preservation zoning district;
- (4) Establishing reporting, investigation, and penalties for violations of agriculture land use requirements;
- (5) Deleting language that would have required condominium property regimes to conform to existing county subdivision or equivalent requirements, with exceptions;
- (6) Clarifying the application requirements for registration of a project in the agricultural district, including:

- (A) Permitting the inclusion of comments on the availability of supportive infrastructure, the potential impact on environmental resources, and other requirements of county ordinances and rules; and
- (B) Deleting language that would have required a signed verified statement by an appropriate county official that the project is in compliance with any applicable supplemental county ordinances, county subdivision standards, and other rules, and an agricultural business plan, farm plan, or conservation plan;
- (7) Clarifying that the requirements for condominium property regimes added by this measure apply only to a county with a population of 750,000 or more;
- (8) Updating the purpose section;
- (9) Changing its effective date to July 1, 2018; and
- (10) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2524, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2524, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Nishihara, Gabbard, Rhoads and Tokuda.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Tokuda).

Representatives Yamane, Todd, Nakamura and Yamashita.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Yamashita).

Conf. Com. Rep. 159-18 on S.B. No. 3058

The purpose of this measure is to:

- (1) Establish a ten-year pilot project for the redevelopment of the Banyan Drive and the Kanoelehua Industrial Area of the County of Hawaii and the guidelines for the pilot project;
- (2) Appropriates funds for the establishment of the pilot project; and
- (3) Modify the request for interest and public auction process under section 171-41.6, Hawaii Revised Statutes, for certain public land leases and apply the modified process to lessees within the last twenty, rather than ten, years of their lease terms.

Your Committee on Conference finds that leases of certain public lands have a maximum term of sixty-five years and during the last few years remaining in the lease term, lessees are apprehensive to further invest in the properties prior to the expiration of the leases, which has led to the dilapidation and deterioration of properties in certain areas, such as the Banyan Drive region and the Kanoelehua Industrial Area in the County of Hawaii.

Your Committee on Conference finds that authorizing the Board of Land and Natural Resources to extend or modify fixed rental periods or terms of leases for public lands within those areas beyond the customary lease terms, or to modify any of the lease restrictions, presents an opportunity to provide existing lessees with greater certainty in their potential future tenancy on those lands and therefore greater incentive to make substantial improvements to the lands. Your Committee on Conference also finds that the increased security presented by this measure should be balanced by mandatory commitments on the part of the lessees as well, including a proposed development agreement by lessees to make substantial improvements to the lands and a deposit of a percentage of leasehold improvements by qualified bidders during the public auction process.

Your Committee on Conference finds that a pilot project in East Hawaii, which has served as a center of tourism in the State, has the potential to revitalize the local infrastructure and community and generate valuable lessons and mechanisms that may be applied and replicated in other areas of the State similarly needing revitalization.

Your Committee on Conference has amended this measure by:

- (1) Deleting language that would have established the redevelopment district pilot project for the Banyan Drive region and Kanoelehua Industrial Area and the planning committee and its powers;
- (2) Deleting the appropriation for the redevelopment district pilot project;
- (3) Defining a specific area of East Hawaii, generally known as the Banyan Drive region and Kanoelehua Industrial Area, as the "Hilo community economic district";
- (4) Authorizing the Board of Land and Natural Resources to extend or modify the fixed rental periods, terms, or restrictions on certain public land leases within the Hilo community economic district upon approval of a lessee's proposed development agreement to make substantial improvements or construct new substantial improvements on the land, provided that the extension does not extend the original lease term by more than forty years;
- (5) Establishing conditions for the Board of Land and Natural Resources to approve the proposed development agreement or any extension of the fixed rental period or term of certain leases within the Hilo community economic district;
- (6) Establishing causes of significant economic hardship for which the Board of Land and Natural Resources may modify or eliminate any restrictions on public land leases in the Hilo community economic district, extend or modify the fixed rental period of the leases, or extend the terms of the leases;

- (7) Amending the conditions for the Board of Land and Natural Resources' approval of any modification, elimination, or extension of fixed rental periods or terms of leases within the last ten years of the lease term;
- (8) Establishing a separate request for interest process for public lands in the Hilo community economic district that requires qualified bidders to deposit an amount equal to one percent of the value of the leasehold improvements;
- (9) Deleting amendments to section 171-41.6, Hawaii Revised Statutes, that would have modified the request for interest and public auction process for certain public land leases and would have applied the modified process to lessees within the last twenty years of their lease terms;
- (10) Requiring the Department of Land and Natural Resources to submit a report of its findings and recommendations to the Legislature no later than twenty days prior to convening of the Regular Session of 2019 and every year thereafter;
- (11) Changing the effective date to July 1, 2018;
- (12) Amending the purpose section to reflect its amended purpose; and
- (13) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 3058, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 3058, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Dela Cruz, Kahele and Galuteria.

Managers on the part of the Senate.

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

Representatives Yamane, Evans, Todd, Cullen, Luke and Matsumoto.

Managers on the part of the House.

Ayes, 4. Noes, none. Excused, 2 (Luke, Matsumoto).

Conf. Com. Rep. 160-18 on S.B. No. 48

The purpose of this measure is to abolish the Hawaii Technology Development Corporation and the Hawaii Strategic Development Corporation and establish in their place the Hawaii Innovation and Technology Research Corporation.

This measure also converts the means of financing for several permanent and temporary positions within the Hawaii Technology Development Corporation from special funds to general funds, and appropriates general funds to the Hawaii Technology Development Corporation for other current expenses.

Your Committee on Conference believes that in order to diversify Hawaii's economy to include high-quality, knowledge-based jobs, Hawaii's innovation and technology industry should be promoted, developed, and expanded. Therefore, your Committee on Conference finds that it is in the public's interest to combine the resources, duties, and responsibilities of the Hawaii Technology Development Corporation and the Hawaii Strategic Development Corporation.

Your Committee on Conference has amended this measure by:

- (1) Deleting the provisions that establish the Hawaii Innovation and Technology Research Corporation;
- (2) Restoring the Hawaii Technology Development Corporation and repealing only the Hawaii Strategic Development Corporation;
- (3) Re-establishing the rights, powers, functions, duties, and programs of the Hawaii Strategic Development Corporation within the Hawaii Technology Development Corporation;
- (4) Changing the size and composition of the Hawaii Technology Development Corporation board of directors by:
 - (A) Reducing the size of the board from eleven to nine members;
 - (B) Eliminating the University of Hawaii faculty member from the appointed members of the board;
 - (C) Eliminating the members from the Hawaii Strategic Development Corporation and the Natural Energy Laboratory of Hawaii Authority from the ex officio members of the board; and
 - (D) Adding the Chairperson of the Department of Agriculture as an ex officio member of the board;
- (5) Renaming the Hawaii Technology Development Corporation as the Hawaii Innovation, Technology, and Research Corporation;
- (6) Clarifying that the official of the Hawaii Innovation, Technology, and Research Corporation who prescribes the duties and qualifications of transferred employees and fixes their salaries is the chief executive officer;
- (7) Authorizing the Director of Finance to transfer from the technology special fund to the general fund the sum of \$279,666 for fiscal year 2018-2019;
- (8) Increasing the general fund appropriation from \$370,410 to \$970,000 for the permanent and temporary positions in the Hawaii Technology Development Corporation whose means of financing is being converted from special funds to general funds;

- (9) Increasing the general fund appropriation for other current expenses of the Hawaii Technology Development Corporation from \$123,446 to \$720,000 and clarifying that the purpose of the appropriation is to finance a technology park coordinator position and a first responders technology park proof of concept; and
- (10) Specifying that the terms of the board members of the Hawaii Strategic Development Corporation will expire on July 1, 2020.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 48, S.D. 3, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 48, S.D. 3, H.D. 2, C.D. 1.

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

Senators Dela Cruz, Wakai, Kahele and Rhoads.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Rhoads).

Representatives Luke, Evans, McKelvey, Keohokalole and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Matsumoto).

Conf. Com. Rep. 161-18 on S.B. No. 2831

The purpose of this measure is to:

- (1) Restore until June 30, 2021, authority to the University of Hawaii President to act as the University of Hawaii Chief Procurement Officer for contracts for construction and construction-related professional services; and
- (2) Require the University of Hawaii to submit an annual report to the Legislature prior to the convening of each regular session through 2021, that details a list of all capital improvement projects approved by the Board of Regents.

Your Committee on Conference finds that procurement for contracts for construction and construction-related professional services furnished by licensees under chapter 464, Hawaii Revised Statutes, for the University of Hawaii has been under the control of the Department of Accounting and General Services for the past five years after issues were discovered relating to the University's procurement process and procedures. During that time, the University has made significant changes to its policies and procedures including engaging in some of what the State Procurement Office refers to as "best-practices". Accordingly, your Committee on Conference finds a trial-period should be established during which the University, through the University President, should be given the opportunity to again be in control of its own procurement. Your Committee on Conference also finds that in order to maintain proper oversight over the University, the University should submit an annual report to the Legislature detailing its capital improvement projects.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2831, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2831, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Johanson, McKelvey, Holt, Yamashita and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (McKelvey).

Conf. Com. Rep. 162-18 on H.B. No. 2299

The purpose of this measure is to authorize the University of Hawaii Board of Regents, or its designee, to indemnify, defend, and hold harmless a county agency, its officers, agents, and employees, when the University of Hawaii uses county property for a university purpose or a university function, provided certain conditions are met.

Your Committee on Conference has amended this measure by changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2299, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2299, H.D. 1, S.D. 1, C.D. 1.

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

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

Representatives McKelvey, Nishimoto, Cullen, Hashem and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Nishimoto).

Conf. Com. Rep. 163-18 on H.B. No. 2501

The purpose of this measure is to codify the Hawaii Community College Promise Program which provides scholarships for the unmet direct cost needs of qualified students enrolled at any of the University of Hawaii community college campuses. This measure also sets eligibility requirements for the scholarships, establishes a subaccount for program funding, and appropriates an unspecified amount to establish and implement the scholarship program.

Your Committee on Conference finds that this last-gap scholarship program will provide a critical bridge for many of our keiki to complete financing for their secondary education at our community colleges.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$700,000 to establish and implement the Hawaii Community College Promise Program, including the provision of the program's scholarships, at the community college campuses of the University of Hawaii;
- (2) Changing its effective date to July 1, 2018; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2501, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2501, H.D. 1, S.D. 2, C.D. 1.

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

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

Representatives McKelvey, Cullen, Gates, Todd and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Gates).

Conf. Com. Rep. 164-18 on H.B. No. 1508

The purpose of this measure is to create a revolving line of credit sub-fund within the Hawaii Green Infrastructure Special Fund to provide state agencies the ability to obtain funding to implement energy-efficiency measures in public buildings.

Your Committee on Conference has amended this measure by:

- (1) Specifying that \$50,000,000 shall be converted from the Hawaii Green Infrastructure Special Fund for the revolving line of credit sub-fund and appropriating that amount;
- (2) Clarifying in the measure's preamble that the Department of Education's outstanding loan balance shall be included under this revolving line of credit;
- (3) Changing its effective date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1508, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1508, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Lee, Cullen, Todd and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 165-18 on H.B. No. 1986

The purpose of this measure is to establish and appropriate funds for a Carbon Offset Program to administer revenue realized from the sale of carbon offset credits to be deposited into the forest stewardship fund or invested into projects to improve the State's water infrastructure to mitigate threats to water sustainability due to climate change.

Your Committee on Conference has amended this measure by:

- (1) Tasking the Office of Planning in partnership with the Greenhouse Gas Sequestration Task Force (Task Force) to investigate and establish a Carbon Offset Program, rather than requiring the Department of Business, Economic Development, and Tourism (DBEDT) in partnership with the Department of Land and Natural Resources to perform these tasks;
- (2) Clarifying that the Carbon Offset Program shall allow proceeds and revenues generated by state departments from sales of offset credits to be deposited into suitable funds particularly for reinvestment to generate further carbon offset credits; provided that the funds are used in accordance with the purposes of the fund;

- (3) Clarifying that the Carbon Offset Program shall allow proceeds from sales of carbon credits to be invested in projects enhancing the State's efforts to mitigate or adapt to climate change;
- (4) Requiring the Office of Planning in partnership with the Task Force to submit a report to the Legislature and the Climate Change Mitigation and Adaptation Commission prior to the 2020 Regular Session;
- (5) Deleting the definitions for the terms "public agency", "state agency", and "forest carbon offset";
- (6) Inserting an appropriation of \$150,000 to be used to investigate and structure the Carbon Offset Program, which shall be expended by the Office of Planning, rather than DBEDT;
- (7) Changing its effective date to July 1, 2018; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1986, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1986, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Wakai, Rhoads, Gabbard and English.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, none.

Representatives Lee, Takumi, Lowen, Todd and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 2 (Todd, McDermott).

Conf. Com. Rep. 166-18 on S.B. No. 2740

The purpose of this measure is to appropriate funds for the payment of claims against the State, its officers, or its employees.

Your Committee on Conference finds that the timely passage of this measure will minimize the State's obligation to pay interest on those amounts.

Your Committee on Conference has amended this measure by:

- (1) Increasing the total general fund appropriation from \$5,940,352.37 to \$6,724,309.63 to satisfy the payment of three additional claims that total \$783,957.26; and
- (2) Providing that the claims to be paid from general funds in this measure shall be paid from funds appropriated to the respective department or agency in section 3 of Act 49, Session Laws of Hawaii 2017.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2740, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2740, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Nishimoto, Luke, Cullen and Thielen.
Managers on the part of the House.
Ayes, 4; Ayes with Reservations (Thielen). Noes, none. Excused, none.

Conf. Com. Rep. 167-18 on S.B. No. 2791

The purpose of this measure is to:

- (1) Require the Office of Youth Services to create and develop the Kawaihoa Youth and Family Wellness Center, to be operated and maintained by the Hawaii Youth Correctional Facilities, to prevent delinquency and reduce the incidence of recidivism among youth at risk and young adults; and
- (2) Appropriate funds to the Department of Human Services for the operational expenses of an organization to provide prevention, intervention, and group and individual counseling for high risk youth.

Your Committee on Conference finds that the Legislature enacted Act 201, Session Laws of Hawaii 2014, to reform the State's juvenile justice system, improve outcomes for Hawaii's youth in the juvenile justice system, and maximize the use of the Hawaii Youth Correctional Facilities' appropriations and treatment services. Your Committee on Conference further finds that critical services to reduce delinquency, including mental health treatment, prevention of youth homelessness, vocational services, and substance abuse treatment, are still insufficiently resourced and inaccessible to Hawaii's at-risk youth and young adult population. This measure will allow youth and young adults, between the ages of eighteen and twenty-four, who are in the juvenile justice system to receive assistance and much-needed services to prevent further delinquency and recidivism.

Your Committee on Conference notes that this measure is intended to provide state employees at the Hawaii Youth Correctional Facility an opportunity to work at a new facility and is not intended to displace existing state employees who already provide critical services for youth at the Hawaii Youth Correctional Facility.

Your Committee on Conference has amended this measure by:

- (1) Removing the purpose section;
- (2) Permitting, rather than requiring, the Office of Youth Services and Hawaii Youth Correctional Facilities to establish and operate the Kawaiiloa Youth and Family Wellness Center;
- (3) Clarifying that opportunities may be given to existing employees to participate in the Kawaiiloa Youth and Family Wellness Center's services and programs, including discussing long-term plans for employment and training opportunities to contribute professionally to the program;
- (4) Clarifying that the Department of Education shall be the sole provider of standards-based education services for youth adults at risk and young adults identified with special education needs or actively receiving special education services;
- (5) Removing the appropriation for the operational costs of an organization to provide prevention, intervention, and counseling for high risk youth;
- (6) Changing the effective date to upon approval; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2791, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2791, S.D. 2, H.D. 1, C.D. 1.

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

Senators Green, Keith-Agaran, Kahele, Chang and Riviere.

Managers on the part of the Senate.

Ayes, 4; Ayes with Reservations (Green). Noes, none. Excused, 1 (Kahele).

Representatives Mizuno, Nishimoto, Kobayashi, Morikawa and Tupola.

Managers on the part of the House.

Ayes, 3; Ayes with Reservations (Mizuno). Noes, none. Excused, 2 (Nishimoto, Tupola).

Conf. Com. Rep. 168-18 on H.B. No. 1650

The purpose of this measure is to:

- (1) Authorize the Department of Human Services (DHS) to disclose to parents or guardians the disposition of an assessment from an investigation into an allegation or report of child abuse or neglect that occurred within a licensed group child care home or group child care center; and
- (2) Establish a temporary working group to review laws, rules, and procedures relating to the coordination of investigations and enforcement efforts of the Child Welfare Services Branch and Child Care Licensing Program to improve safety in child care settings.

Your Committee on Conference has amended this measure by:

- (1) Clarifying the circumstances under which DHS may disclose reports of child abuse or neglect;
- (2) Changing its effective date to July 1, 2018; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1650, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1650, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs and Senate President on behalf of the Committee (Co-chair Taniguchi signed with reservations).

Senators Green, Taniguchi, Rhoads, Chang and Thielen.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Rhoads, Chang).

Representatives Mizuno, Nishimoto, Luke and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 169-18 on H.B. No. 2742

The purpose of this measure is to:

- (1) Establish the Office of Medical Cannabis Control and Regulation within the Department of Health to administer medical cannabis dispensary licensure and regulation and the registration of qualifying patients and primary caregivers;
- (2) Extend from July 1, 2020, to July 1, 2025, the operation of interim administrative rules adopted by the Department of Health for the medical cannabis dispensary system;
- (3) Extend from June 30, 2020, to June 30, 2025, civil service exemptions for positions in the Department of Health related to the medical cannabis dispensary system;

- (4) Transfer all appropriations, records, equipment, files, documents, and other personal property, and employees performing duties related to medical cannabis dispensary licensure and regulation, from the Office of Health Care Assurance to the Office of Medical Cannabis Control and Regulation; and
- (5) Appropriate funds for fiscal year 2018-2019 for staff and operations of the Office of Medical Cannabis Control and Regulation, including the establishment of the following four full-time equivalent positions: program manager, information technology specialist, administrative assistant, and data analyst.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$140,000 for fiscal year 2018-2019 for staff and operations of the Office of Medical Cannabis Control and Regulation;
- (2) Deleting clarifying language for the four full-time equivalent positions established by the appropriation;
- (3) Changing its effective date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2742, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2742, H.D. 1, S.D. 1, C.D. 1.

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

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

Representatives Mizuno, Kobayashi and Tupola.
Managers on the part of the House.
Ayes, 2. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 170-18 on H.B. No. 1895

The purpose of this measure is to appropriate funds to assist the Department of Health.

More specifically, this measure:

- (1) Requires the Department of Health to establish two full-time equivalent (2.0 FTE) permanent surveyor positions and one full-time equivalent (1.0 FTE) permanent supervisor position to review, certify, and recertify dialysis centers and other health care facilities under the Department's purview; and
- (2) Makes appropriations to the Department of Health out of the general fund, including an appropriation from moneys in the treasury received from federal funds.

Your Committee on Conference finds that the additional resources provided by this measure to the Department of Health will facilitate the review, certification, and recertification of dialysis centers and other health care facilities under the Department's purview. The Department of Health has indicated that the Department, through its Office of Health Care Assurance (OHCA), will request from the U.S. Centers for Medicare and Medicaid Services (CMS) federal funds for federal fiscal year 2019, which begins on October 1, 2018. OHCA conducts federal surveys (inspections) on Medicare certified dialysis centers and other health care facilities in Hawaii on behalf of CMS and annually receives federal funds of approximately eighty percent of the cost to conduct these surveys. Your Committee on Conference notes that the CMS Regional Office in San Francisco has expressed support for this measure; thus, it appears that the State is well-positioned to secure additional federal funds for the Department of Health to conduct federal surveys and to safeguard the health, safety, and welfare of dialysis patients in the State.

Your Committee on Conference wishes to address an additional public health issue in this measure, and finds that the use of electronic smoking devices, also known as e-cigarettes, is proliferating and that the electronic smoking device industry is rapidly expanding. According to a 2016 report by the United States Surgeon General, e-cigarette use among the nation's youth and young adults has become a major public health concern. For these reasons, your Committee on Conference finds it necessary, as a matter of statewide concern, to regulate the sale of cigarettes, tobacco products, and electronic smoking devices in a uniform and exclusive manner.

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

- (1) Deleting the measure's preamble;
- (2) Establishing the remaining sections, except for the effective date section, as Part I;
- (3) Deleting from the appropriation to the Department of Health in Part I language that references moneys in the treasury received from federal funds;
- (4) Changing the appropriations to the Department of Health from unspecified amounts to \$157,500 and \$150,000, respectively;
- (5) Inserting a Part II and adding provisions that address the retail sale of tobacco products and electronic smoking devices, including:
 - (A) Establishing within the Department of the Attorney General the Electronic Smoking Device Retailer Registration Unit, requiring retailers of electronic smoking devices to register with the unit, and authorizing the unit to charge a fee for registration and a certificate to sell electronic smoking devices at retail;

- (B) Restricting the display of cigarettes and tobacco products within a retailer's establishment to certain locations within the establishment;
 - (C) Requiring that retailers of tobacco products or electronic smoking devices check the identification of tobacco or electronic smoking device purchasers who reasonably appear to be under twenty-seven years of age;
 - (D) Prohibiting the purchase or possession of any tobacco product or electronic smoking device by a person under the age of twenty-one and establishing penalties for violations;
 - (E) Establishing procedures for the forfeiture and destruction of tobacco products and electronic smoking devices under certain circumstances; and
 - (F) Prohibiting delivery sales of electronic smoking devices to persons under twenty-one years of age; and
- (6) Changing the effective date from July 1, 2035, to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1895, H.D. 1, S.D. 1, as amended herein, and recommends H.B. No. 1895, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1895, H.D. 1, S.D. 1, C.D. 1.

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

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

Representatives Mizuno, Takumi, Kobayashi and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 171-18 on H.B. No. 1911

The purpose of this measure is to enable the Department of Health to address the issue of unlicensed and uncertified care facilities by:

- (1) Authorizing the Department of Health to investigate and enter care facilities reported to be operating without an appropriate certificate or license issued by the Department and take certain actions upon confirmed findings of uncertified or unlicensed care facilities;
- (2) Establishing penalties for violations and for knowingly referring or transferring patients to uncertified or unlicensed care facilities;
- (3) Establishing certain conditions under which certified or licensed healthcare providers and care facilities will not be subject to a fine when a patient is referred or transferred to an uncertified or unlicensed care facility; and
- (4) Requiring the Department of Health to adopt interim rules to effectuate the licensure of home care facilities and making those interim rules effective until the sooner of October 1, 2018, or final adoption of rules.

Your Committee on Conference has amended this measure by:

- (1) Specifying maximum daily fines of \$100 for a first violation, \$500 for a second violation, and \$1,000 for a third or subsequent violation of uncertified or unlicensed operation of a care facility;
- (2) Specifying maximum fines of \$500 for a first violation, \$1,000 for a second violation, and \$2,000 for a third or subsequent violation, for knowingly referring or transferring patients to uncertified or unlicensed care facilities;
- (3) Inserting language excluding landlords from care facility licensure requirements under certain conditions, including allowing a tenant to receive home care services from licensed individuals;
- (4) Inserting a savings clause;
- (5) Changing its effective date to July 1, 2018; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1911, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1911, H.D. 2, S.D. 1, C.D. 1.

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

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

Representatives Mizuno, Takumi, Kobayashi, Cachola, Cullen, Morikawa and Tupola.
Managers on the part of the House.
Ayes, 6. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 172-18 on H.B. No. 2729

The purpose of this measure is to amend the current statutes that regulate the State's medical cannabis and medical cannabis dispensary program to facilitate appropriate access to medical cannabis by patients with debilitating medical conditions and ensure patient safety. Specifically, this measure:

- (1) Establishes criteria, standards, limitations, and protections for qualifying out-of-state patients for whom the medical use of cannabis is authorized by the patient's home jurisdiction;
- (2) Authorizes the Department of Health to extend the maximum period of validity of a written certification to three years for qualifying patients with a chronic debilitating medical condition and to register two caregivers for minor qualifying patients; provided that both caregivers are parents, guardians, or legal custodians of the minor patient;
- (3) Clarifies a dispensary's right to retest a batch of cannabis or manufactured cannabis products that do not meet safety standards according to initial test results;
- (4) Prohibits employment discrimination and suspension or discharge from employment based solely on evidence of consumption of cannabis by an employee who is a registered qualifying patient;
- (5) Authorizes the formation of a bona fide provider-patient relationship for purposes of obtaining a written certification via telehealth;
- (6) Amends statutes regulating licensed dispensaries to authorize the dispensing of devices that provide safe pulmonary administration of medical cannabis and of edible cannabis products, increase the maximum dosage amount per unit of manufactured cannabis products, and clarify labeling requirements for manufactured cannabis products; and
- (7) Limits the felony convictions that disqualify an individual from employment with a licensed dispensary and permitting, but not requiring, denial of employment based on conviction of a limited number of additional offenses.

Your Committee on Conference has amended this measure by:

- (1) Deleting provisions relating to employment protections for registered qualifying patients;
- (2) Authorizing the registration of two caregivers for minor qualifying out-of-state patients;
- (3) Clarifying that a qualifying out-of-state patient shall not possess more than four ounces of usable cannabis at any given time and shall not possess live plants;
- (4) Deleting provisions authorizing licensed dispensaries to dispense edible cannabis products;
- (5) Clarifying requirements for devices that aerosolize cannabis and devices for safe pulmonary administration that may be dispensed by licensed dispensaries;
- (6) Establishing an Outstanding Issues Working Group to consider and make recommendations on issues related to the employment of registered qualifying patients and the manufacture and distribution by licensed dispensaries of edible cannabis products;
- (7) Changing its effective date to July 1, 2018; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2729, H.D. 2, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2729, H.D. 2, S.D. 2, C.D. 1.

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

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

Representatives Mizuno, Johanson, San Buenaventura, Kobayashi, Belatti and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 2 (Johanson, Tupola).

Conf. Com. Rep. 173-18 on H.B. No. 2271

The purpose of this measure is to:

- (1) Clarify exemptions from licensure as a behavior analyst for individuals who:
 - (A) Practice under the direct supervision of a licensed professional working within the scope of the individual's profession;
 - (B) Directly implement behavior analysis programs as a direct support worker in a school setting;
 - (C) Design or implement applied behavior analysis services to participants in the Medicaid home and community-based services waiver program pursuant to section 1915(c) of the Social Security Act;
 - (D) Are caregivers to adults in home and community-based care homes;
 - (E) Are licensed professionals, including licensed psychologists, practicing within the allowable scope of licensure; or

- (F) Are classroom teachers;
- (2) Update and standardize the terminology used to refer to applied behavior analysis and the practice of applied behavior analysis; and
- (3) Require the Department of Education to create and implement a plan for the delivery of Medicaid billable applied behavior analysis to all students within Department schools who have been diagnosed with autism spectrum disorder.

Your Committee on Conference has amended this measure by deleting numerous conflicting and redundant provisions and retaining language that:

- (1) Applies the exemption from licensure as a behavior analyst to:
- (A) Licensed psychologists working within their scope of licensure;
- (B) Individuals working under the direct supervision of a licensed psychologist and individuals instructed and supervised by Master's-level practitioners or post-doctoral fellows who are also under the supervision of a licensed psychologist;
- (C) Classroom teachers who implement applied behavior analysis services in a school setting and in collaboration with a licensed behavior analyst on or before July 1, 2019;
- (D) Direct support workers in school settings working under the direct supervision of a licensed professional on or before July 1, 2020;
- (E) Caregivers to adults in home and community-based care homes; and
- (F) Individuals providing services under the Medicaid home and community-based service waiver program on or before January 1, 2014;
- (2) Updates and standardizes the terminology used to refer to applied behavior analysis and the practice of applied behavior analysis; and
- (3) Requires the Department of Education to create and implement a plan for the delivery of Medicaid billable applied behavior analysis to all students within Department schools who have been diagnosed with autism spectrum disorder and submit a series of reports on the plan to the Legislature and Board of Education.

Your Committee on Conference has additionally amended this measure by:

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2271, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2271, H.D. 2, S.D. 1, C.D. 1.

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

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

Representatives Mizuno, Ohno, Kobayashi, Choy and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 2 (Choy, Tupola).

Conf. Com. Rep. 174-18 on S.B. No. 2619

The purpose of this measure is to make the penalties for violations of certain categories of airport rules more proportionate to the violation by replacing criminal penalties for certain airport offenses with fines.

Your Committee on Conference finds that under Hawaii's aeronautics laws or certain administrative rules, certain airport offenses are punished with penalties that are excessive and disproportionate to the gravity of the violation. An infraction that would normally be considered a civil violation can be charged as a criminal misdemeanor offense if it occurs at an airport. The criminal misdemeanor offense can remain on a person's record for the rest of the person's life, and lead to a loss of security clearance or professional licensure. Your Committee on Conference believes these long-lasting consequences are not the intent of the punishments.

Your Committee on Conference has amended this measure by:

- (1) Inserting an effective date of July 1, 2018; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2619, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2619, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Taniguchi and Keith-Agaran.
Managers on the part of the Senate.

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

Representatives Aquino, San Buenaventura, Luke and McDermott.
Managers on the part of the House.

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

Conf. Com. Rep. 175-18 on S.B. No. 2854

The purpose of this measure is to enforce the requirement in Act 200, Session Laws of Hawaii 2016, to have annual registration and safety inspections for mopeds by establishing a fine, not to exceed \$100, for failure to comply with moped registration requirements.

Your Committee on Conference finds that illegally modified mopeds are a nuisance due to the loud noises they emit. Act 200, Session Laws of Hawaii 2016, was enacted as a means of resolving the ongoing issue of illegally modified mopeds by requiring annual registration and safety inspections. However, your Committee on Conference notes that thousands of mopeds have not been registered, likely due to the fact that there is no penalty for failure to register a moped. Thus, this measure establishes a fine for moped owners who fail to register their mopeds in order to encourage compliance with registration and safety inspection requirements.

Your Committee on Conference has amended this measure by making it effective upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2854, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2854, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Taniguchi and Kaele.
Managers on the part of the Senate.

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

Representatives Aquino, Nishimoto, Cullen and McDermott.
Managers on the part of the House.

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

Conf. Com. Rep. 176-18 on S.B. No. 2714

The purpose of this measure is to exclude the weight of disability access modifications, such as lifts and ramps, from the determination of net weight for non-commercial vehicles for the purpose of levying state and county motor vehicle weight taxes.

Your Committee on Conference finds that making disability access modifications to one's home and vehicle, if a relative or oneself is or becomes disabled, can be very costly. The additional annual motor vehicle weight tax that one has to pay for the extra weight of disability access modifications to the vehicle is an additional, recurring cost that can be a significant financial burden. Your Committee on Conference further finds that not only will excluding the weight of disability access modifications from motor vehicle weight tax calculations provide relief for disabled individuals and their families, it will encourage the use of retrofitted personal vehicles in lieu of county-subsidized paratransit service, leading to substantial savings for taxpayers.

Your Committee on Conference has amended this measure by:

- (1) Re-inserting the preamble from the S.D. 1 version;
- (2) Inserting an effective date of July 1, 2019; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2714, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2714, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Espero and Shimabukuro.
Managers on the part of the Senate.

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

Representatives Aquino, Cullen, Takayama and McDermott.
Managers on the part of the House.

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

Conf. Com. Rep. 177-18 on S.B. No. 2401

The purpose of this measure is to facilitate assistance to individuals who are homeless or at risk of becoming homeless.

More specifically, the measure:

- (1) Establishes and appropriate funds for a three-year housing homeless children pilot program to provide housing assistance to families with minors that, due to domestic violence, are homeless or at imminent risk of becoming homeless; and
- (2) Appropriates funds to the Hawaii Public Housing Authority, Department of Human Services, and Department of Health to support various state programs to address homelessness.

Your Committee on Conference finds that homelessness is one of the most pressing problems in the State and requires robust, comprehensive solutions to increase the pace at which the State is gaining ground on addressing the issue.

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

- (1) Establishing and appropriating moneys for an Ohana Zones Pilot Program, to be developed and implemented by agencies appointed by the Governor, to provide temporary housing and services to homeless individuals and families based on principles similar to the Housing First program;
- (2) Establishing and appropriating moneys for an Emergency Department Homelessness Assessment Pilot Program within the Department of Human Services to assist individuals who are experiencing homelessness or patients who are at risk of experiencing homelessness and have high utilization of emergency department services;
- (3) Establishing and appropriating moneys for a Medical Respite Pilot Program within the Department of Human Services to provide emergency housing, in partnership with a participating community human services provider, for eligible individuals experiencing homelessness who are discharged from a hospital;
- (4) Appropriating moneys to the Department of Human Services for the establishment and administration of a new family assessment center for homeless families;
- (5) Appropriating moneys for the Department of Health to continue administering the Law Enforcement Assisted Diversion Pilot Program, and to establish additional sites of the pilot program on the islands of Maui and Hawaii;
- (6) Changing the effective date to July 1, 2018; and
- (7) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2401, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2401, S.D. 2, H.D. 1, C.D. 1.

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

Senators Espero, Baker, Green and English.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, none.

Representatives Brower, Mizuno, Luke, Belatti, Gates, Nakamura, Yamashita and McDermott.
Managers on the part of the House.
Ayes, 8. Noes, none. Excused, none.

Conf. Com. Rep. 178-18 on H.B. No. 2651

The purpose of this measure is to upgrade and support next-generation wireless broadband infrastructure throughout Hawaii by establishing a permitting, application, review, and approval process for wireless service providers to install broadband or wireless facilities on State- or county-owned utility poles or install associated utility poles in the right of way.

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

- (1) Using the term “communications service provider” instead of the term “wireless or communication service provider”;
- (2) Specifying that this measure does not apply to airport buildings or buildings whose use is principally for public safety purposes;
- (3) Amending the definitions of “applicable codes”, “collocate”, “micro wireless facilities”, “wireless facility”, and “wireline backhaul”;
- (4) Providing that nothing in this measure must adversely impact the State’s fiscal funding;
- (5) Allowing the State or any county to charge for the deployment of small wireless facilities or any associated modified or replaced utility poles used for the collocation of small wireless facilities;
- (6) Authorizing the State or a county to condition the approval of an application, rather than an encroachment permit, under certain circumstances;
- (7) Removing provisions regarding the undergrounding of facilities that pre-date the submission of an application;
- (8) Allowing the State or a county to require a communications service provider to return the right of way to the same or better condition before any damage, instead of simply returning the right of way to its functional equivalence;
- (9) Requiring an applicant to provide:
 - (A) A geographical description of the project area, if required by the State or county;
 - (B) A listing and description of the condition of utility poles, light standards, buildings, and wireless support structures included in the project for the installation, mounting, operation, and placement of small wireless facilities, including an assessment of the identifying information, location, and ownership of the listed utility poles, light standards, buildings, and structures, if required by the State or county; and

- (C) A description of the equipment associated with the facilities to be installed in the project area, including radio transceivers, antennas, coaxial or fiber-optic cables, power supplies, and related equipment, and the size and weight of the equipment to be installed on each pole, building, or structure, if required by the State or county;
- (10) Explicitly requiring the State and counties to permit the collocation of small wireless facilities on utility poles;
 - (11) Prohibiting the State or county from requiring, but allowing the State or county to negotiate, an agreement with a communications service provider to provide in-kind contributions of goods or services in lieu of or in addition to any rates, charges, terms, and conditions governing the installation of small wireless facilities on State- or county-owned property, such as an agreement to reserve fiber, conduit, or pole space for State or county use;
 - (12) Removing the prohibition against requiring applicants to provide more information to obtain a permit than is required of communications service providers that are not wireless providers; provided that an applicant may be required to include construction and engineering drawings and information demonstrating compliance with specified criteria;
 - (13) Allowing the State or county to limit the number of small wireless facilities placed on a single utility pole;
 - (14) Allowing the State or county to rescind a permit if a small wireless facility is not operational within one year or any agreed-to time beyond one year;
 - (15) Modifying the deadlines by which:
 - (A) The State or county must notify the applicant in writing whether the application is complete; and
 - (B) An application will be deemed approved if the State or county fails to approve or deny the application after receipt of the application;
 - (16) Modifying the criteria by which a State or county may deny a proposed collocation of a small wireless facility or the modification of a modified or replaced utility pole, including causing the load-carrying capacity of the State- or county-owned utility pole, building, or structure, to exceed 70 percent as determined by the appropriate state or county agency;
 - (17) Modifying the deadlines by which:
 - (A) An applicant may address the deficiencies identified by the State or county in its written denial and resubmit a revised application without paying an additional application fee; and
 - (B) The State or county must approve or deny an application after receipt of a revised application;
 - (18) Modifying the scope of subsequent reviews of additional revisions to a revised application to the deficiencies cited in the documentation noting the basis for denial of the revised application; provided, however, that the State or a county may address deficiencies in the original or subsequent revised versions of the application that were missed in good faith and that were not documented in a written denial;
 - (19) Allowing the State or county to remove a utility pole if it decides to do so;
 - (20) Modifying the deadline by which make-ready work, including any pole replacement, must be completed by the State or county or the communications service provider after written acceptance of the good faith estimate by the applicant;
 - (21) Granting the State or county discretion to designate whether it or the communications service provider will perform make-ready work;
 - (22) Removing the prohibition that fees for make-ready work must not include costs related to pre-existing or prior damage or noncompliance;
 - (23) Removing the provisions allowing the State or county to reserve space for up to 12 months on its utility poles under certain circumstances;
 - (24) Deleting the provisions pertaining to rates and fees within the right of way;
 - (25) Except under certain conditions, prohibiting the State and counties from:
 - (A) Adopting or enforcing any regulations or requirements or charging additional rates or fees on an entity's placement or operation of communications facilities in the right of way where the entity is already authorized by a cable television franchise to operate throughout the right of way; and
 - (B) Regulating or charging fees for the provision of additional communications services over a cable system authorized under such franchise, unless expressly authorized by applicable law;
 - (26) No longer authorizing the State or a county to require a communications service provider to consider installing and operating small wireless facilities and utility poles in rural districts, where economically feasible, particularly in Neighbor Island communities with low- or medium-density concentrations of residents;
 - (27) Deleting the requirement that the State or county must conduct an evaluation within one year of the effective date of this measure pertaining to the permitting process in the right of way and submit a report to the Legislature;
 - (28) Changing its effective date to July 1, 2018; and
 - (29) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee on Conference finds that a robust broadband network throughout the state is integral to Hawaii's global economic competitiveness. Therefore, this measure encourages the uniform deployment of small wireless facilities within the state.

Although this measure encourages the deployment of next-generation broadband service, your Committee on Conference does not approve of the construction of new utility poles. This measure thus prohibits communications service providers from constructing new poles in the public right of way. The only time that a new pole can be erected is if it is replacing an existing pole that has been found to be deficient.

It is also the intention of your Committee on Conference to work cooperatively with the counties, and this measure allows them to deploy small wireless facilities in an aesthetically pleasing manner by giving state and county agencies the ability to mandate feasible design standards in an effort to combat blight in the public right of way.

Furthermore, this measure allows the State and county to charge for the deployment of small wireless facilities, including determining an application fee and collocation rate. Also, this measure specifies that the cost of any make-ready work to ensure that a pole can safely accommodate the addition of a small wireless facility be borne entirely by a communications service provider and not the State or county.

Moreover, this measure authorizes the State or county to include in-kind contributions from communications service providers for the expansion and connection of rural areas as conditions to the collocation of small wireless facilities. This provision can be used to incentivize communications service providers to expand 3G, 4G, or 5G wireless coverage to rural areas across Hawaii.

Lastly, your Committee on Conference acknowledges the concerns of the Department of Transportation and the Airport Concessionaires Committee that this measure may directly affect ongoing contracts to deploy WiFi at Daniel K. Inouye International Airport. Therefore, because this provision may also affect negotiations at other state airports, all utility poles on state airport grounds have been exempted from this measure.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2651, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2651, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Wakai, Baker, Shimabukuro and Chang.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, none.

Representatives Ohno, Takumi, Keohokalole, Aquino, Woodson and Ward.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 2 (Aquino, Ward).

Conf. Com. Rep. 179-18 on H.B. No. 1938

The purpose of this measure is to increase the fine from not more than \$500 to not more than \$1,000 for passing or overtaking a school bus that is stopped on a state highway with its visual signals on.

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

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1938, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1938, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Aquino, Nishimoto, Cullen, Quinlan and McDermott.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 180-18 on H.B. No. 2684

The purpose of this measure is to appropriate moneys to the Public Utilities Commission to hire additional motor carrier enforcement personnel.

Your Committee on Conference has amended this measure by:

- (1) Changing the unspecified appropriation to an amount of \$200,000;
- (2) Specifying that the appropriation shall be used for the purpose of hiring 2.00 full-time equivalent (2.00 FTE) enforcement personnel; and
- (3) Changing the effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2684, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2684, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Kahele and English.
Managers on the part of the Senate.

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

Representatives Aquino, Takumi, Cullen, Quinlan and McDermott.
Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 2 (Takumi, McDermott).

Conf. Com. Rep. 181-18 on H.B. No. 2161

The purpose of this measure is to change the penalty that is imposed upon a vehicle inspection station for improper motor vehicle inspections from the revocation or suspension of the station's operating permit to a fine.

Your Committee on Conference has amended this measure by:

- (1) Authorizing the Department of Transportation to determine the amount of the fine by rule;
- (2) Specifying that after three violations, the vehicle inspection station license will be subject to suspension or revocation;
- (3) Changing its effective date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2161, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2161, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 182-18 on H.B. No. 2601

The purpose of this measure is to increase the rental motor vehicle surcharge for individuals without a valid Hawaii drivers' license and use those revenues for road capacity projects to reduce traffic congestion in the county in which the rental motor vehicle is driven. This measure also increases tour vehicle surcharges.

Your Committee on Conference has amended this measure by changing its effective date to July 1, 2018.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 2601, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2601, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Baker, Dela Cruz and Shimabukuro.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, none.

Representatives Aquino, Yamashita, Quinlan and Ward.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Ward).

Conf. Com. Rep. 183-18 on S.B. No. 3077

The purpose of this measure is to further the State's efforts in achieving its clean energy goals by enhancing the renewable fuel capacity of the State. This measure encourages the development of renewable fuel in the State by:

- (1) Expanding the existing renewable fuels production tax credit by:
 - (A) Temporarily expanding the definition of "renewable feedstocks" that qualify for the tax credit;
 - (B) Temporarily reducing the minimum production requirement to qualify for the tax credit;
 - (C) Temporarily changing the tax credit cap; and
 - (D) Making the original tax credit permanent; and
- (2) Establishing a renewable fuel facilitator position within the Department of Business, Economic Development, and Tourism.

Your Committee on Conference finds that achieving the State's clean energy goals will require investment in and development of renewable energy and renewable fuels. While investment in renewable energy has been incentivized with tax credits and low-interest loans, your Committee on Conference notes that the existing tax credits for renewable fuel production is limited in scope. Your Committee on Conference believes the renewable fuels production tax credit should be expanded, to encourage renewable fuel production, but concludes that the measure as currently written could impose a high cost to the State.

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

- (1) Reverting to the existing statutory tax credit cap of \$3,00,000;
- (2) Deleting section 3, which removed the sunset date for the existing tax credit;
- (3) Deleting section 4, which created a renewable fuel facilitator position;
- (4) Making it effective upon approval and deleting the sunset date; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 3077, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 3077, S.D. 2, H.D. 1, C.D. 1.

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

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

Representatives Lee, Cullen and McDermott.
Managers on the part of the House.
Ayes, 2. Noes, none. Excused, 1 (McDermott).

STANDING COMMITTEE REPORTS

SCRep. 2001 Agriculture and Environment on S.B. No. 2517

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and appropriate funds for the planning, designing, and constructing of a livestock feed mill.

Your Committee received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Hawai'i Farm Bureau; and Hawaii Cattlemen's Council, Inc. Your Committee received testimony in opposition to this measure from Animal Rights Hawai'i.

Your Committee finds that livestock feed costs for feed shipped to Hawaii often exceed sixty percent of overall livestock production costs in Hawaii. The Agribusiness Development Corporation seeks to broaden its waste-reduction and recycling projects by partnering with a viable and qualified entity to establish a livestock feed mill operation using waste materials, such as unusable macadamia nut fruit and shells, and converting the unusable parts and byproducts into aquaculture and livestock feed. Your Committee further finds that the Agribusiness Development Corporation will assist with the development of the plans and design of the operation and will purchase the equipment to convert and process the waste materials, while the project partners will be responsible for providing adequate warehouse space to house the equipment and the labor for the manufacture and sale of the resulting product.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$4,000,000; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2517, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2517, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2002 Agriculture and Environment on S.B. No. 2125

The purpose and intent of this measure is to extend the pesticide subsidy program manager position through the fiscal year immediately following the program sunset date.

Your Committee received testimony in support of this measure from the Department of Agriculture; Office of the Mayor of the County of Hawai'i; Hawaii Coffee Association; Hawaii Coffee Company; Hawaii Cattlemen's Council, Inc.; Hawai'i Farm Bureau; and one individual.

Your Committee finds that the pesticide subsidy program in the Department of Agriculture assists coffee growers with offsetting the costs of purchasing certain pesticides known to be effective against the coffee berry borer, a highly destructive coffee pest. The program was established to run for five years. Your Committee also finds that the current pesticide subsidy program manager position is a full-time, temporary position that is exempt from civil service and collective bargaining laws. Due to other laws, this exemption will expire on June 30, 2018. The pesticide subsidy program took longer than anticipated to implement, thus the program sunset date has been extended from June 30, 2019, to June 30, 2021; however, the exemption of the pesticide subsidy program manager position has not also been extended. Applications for a subsidy for pesticide purchases made in a fiscal year must be filed in the immediately following fiscal year. Therefore, for pesticide purchases made in the last fiscal year of the program, from July 1, 2020, to June 30, 2021, applications for subsidies must be filed in the immediately following fiscal year, anytime from July 1, 2021, to June 30, 2022. The manager position will be needed to process these applications for subsidies for costs incurred in the final year of the program, thus, your Committee finds that the exemption must be extended.

Your Committee has amended this measure by:

- (1) Changing the effective date to June 29, 2018, to ensure the current exemption from chapters 76 and 89, Hawaii Revised Statutes, for the subsidy program manager position continues until June 30, 2022, the expiration date of the position; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2125, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2125, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2003 Agriculture and Environment on S.B. No. 2396

The purpose and intent of this measure is to:

- (1) Appropriate additional funds to the agricultural loan revolving fund and Hawaii water infrastructure special fund; and
- (2) Set a ceiling for the Hawaii water infrastructure special fund.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawaii Cattlemen's Council, Inc.; Maui County Farm Bureau; Hawai'i Farm Bureau; and Oahu County Legislative Priorities Committee of the Democratic Party of Hawaii.

Your Committee finds that the agricultural loan revolving fund has a balance of only \$1,800,000 and requires additional funds to support new farmers and improve the State's food self-sufficiency as more agricultural lands become available.

Your Committee also finds that the Department of Agriculture's proposed ceiling for the Hawaii water infrastructure special fund should be included in the state budget, but at a higher level than was requested by the Department, to create a permanent ceiling for the fund. Having a permanent ceiling would allow for efficient management of the program and ensure greater stability for the program's applicants.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2396, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2396, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2004 Agriculture and Environment on S.B. No. 2562

The purpose and intent of this measure is to appropriate funds to the Department of Agriculture for the establishment and administration of the agriculture grant program to support local food production in the State.

Your Committee received testimony in support of this measure from Hawaii Cattlemen's Council, Inc.; Hawaii'i Farm Bureau; Oahu County Legislative Priorities Committee of the Democratic Party of Hawaii; and Ho'omana Pono, LLC. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that the State's goal of doubling local food production by 2020 necessitates that the Department of Agriculture develop and support loss mitigation and efficiency improvement in the State's agriculture industry. Your Committee further finds that doubling local food production is vital for the State's future well-being and that it is essential to provide the Department of Agriculture with sufficient resources to achieve this goal.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2562 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2005 Agriculture and Environment on S.B. No. 2556

The purpose and intent of this measure is to establish the industrial hemp special fund, into which fees from the industrial hemp pilot program may be deposited.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawaii Farm Bureau Federation; Hawaii'i Farm Bureau; Oahu County Legislative Priorities Committee of the Democratic Party of Hawaii; Ho'omana Pono, LLC; Ho'omanapono Political Action Committee; Hawaii'i Farm Bureau; and one individual. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the Department of Agriculture industrial hemp pilot program is progressing toward implementation; however, a special fund is necessary for deposit of fees collected through the program and to support the program, including the hiring of employees, specialists, and consultants necessary to complete projects.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2556 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2006 Agriculture and Environment on S.B. No. 2434

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Kunoa Cattle Company, LLC, to fund the construction of a multi-species livestock farm, expansion of slaughter and processing infrastructure, development of distribution assets and agritourism services, and expansion of renewable energy assets.

Your Committee received testimony in support of this measure from the Department of Agriculture; Kunoa Cattle Company, LLC; Hawaii'i Farm Bureau; Hawaii Cattlemen's Council, Inc.; and one individual. Your Committee received testimony in opposition to this measure from Animal Rights Hawaii'i and one individual. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that Kunoa Cattle Company, LLC, seeks to construct a multi-species livestock farm, expand its slaughter and processing infrastructure, develop its distribution assets and agritourism services, and expand its renewable energy assets in an effort to increase local food production in the State, which is in the public interest and for the public's general welfare.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2434 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2007 Agriculture and Environment on S.B. No. 2073

The purpose and intent of this measure is to provide that the amount appropriated in Act 183, Session Laws of Hawaii 2017, shall be deposited into the food safety certification costs grant program special fund and that the same amount shall be appropriated out of the special fund for fiscal year 2018-2019.

Your Committee received testimony in support of this measure from the Department of Agriculture and Hawai'i Farm Bureau.

Your Committee finds that Act 183, Session Laws of Hawaii 2017 (Act 183), created a food safety certification costs grant program and the food safety certification costs grant program special fund, consisting of legislative appropriations. Act 183 appropriated \$500,000 for fiscal year 2017-2018, but it did not specify that these monies were to be deposited into the special fund, nor did it appropriate the monies out of the special fund. Your Committee finds that this measure corrects that oversight by appropriating \$500,000 into and out of the food safety certification costs grant program special fund for fiscal year 2018-2019.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2073 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2008 Agriculture and Environment on S.B. No. 2074

The purpose and intent of this measure is to extend the period of time during which the Department of Agriculture may certify important agricultural land qualified agricultural cost tax credits.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawai'i Farm Bureau; Hawaii Crop Improvement Association; Hawaii Farm Bureau Federation; Maui County Farm Bureau; Hawaii Cattlemen's Council, Inc.; Oahu County Legislative Priorities Committee of the Democratic Party of Hawaii; and Kekaha Agriculture Association. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that article XI, section 3, of the Hawaii State Constitution provides:

The State shall conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self sufficiency and assure the availability of agriculturally suitable lands. The legislature shall provide standards and criteria to accomplish the foregoing.

Lands identified by the State as important agricultural lands needed to fulfill the purposes above shall not be reclassified by the State or rezoned by its political subdivisions without meeting the standards and criteria established by the legislature and approved by a two-thirds vote of the body responsible for the reclassification or rezoning action.

Your Committee further finds that to address the issue of important agricultural lands, Act 183, Session Laws of Hawaii 2005 (Act 183), established standards, criteria, and mechanisms to identify important agricultural lands and to implement the intent and purpose of article XI, section 3, of the Hawaii State Constitution. Act 233, Session Laws of Hawaii 2008, subsequently established incentives under the requirements of Act 183, including the important agricultural land qualified agricultural cost tax credit. Your Committee finds that this measure provides additional time for certification of such tax credits to allow landowners and farmers to claim the tax credit in the event their agricultural lands are identified as potential important agricultural lands and designated as such by the Land Use Commission.

Your Committee recommends that your Committee on Ways and Means consider minimum lot size or other clear, definitive terms to discourage lot sizes as small as two acres, and consider safeguards to prevent "fake farms" and encourage true agricultural use of important agricultural lands.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2074 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2009 Agriculture and Environment on S.B. No. 2116

The purpose and intent of this measure is to establish the biosecurity emergency response special fund within the Department of Agriculture and appropriate funds for rapid response to terrestrial and aquatic biosecurity emergencies at or beyond ports so that newly detected threats may be immediately addressed.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Department of Agriculture, Hawai'i Farm Bureau, Hawaii Coffee Association, Coordinating Group on Alien Pest Species, Hawaii Farm Bureau Federation, Oahu County Legislative Priorities Committee of the Democratic Party of Hawaii, and one individual. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that rapid response to newly detected terrestrial and aquatic biosecurity emergencies in the State is essential to prevent biosecurity threats from becoming firmly established, thus saving taxpayers money in the long term. State agencies currently lack resources and a mechanism to quickly respond to new threats and, therefore, may be missing opportunities to eliminate

those threats. Your Committee finds that this measure provides such a mechanism to enable the Department of Agriculture to take necessary action quickly to protect Hawaii's agriculture, commerce, economy, environment, and public health.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2116 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2010 (Joint) Government Operations and Water and Land and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2334

The purpose and intent of this measure is to require the State and counties to incorporate predictions of sea level rise and other climate change hazards and mitigation opportunities, including the findings of the "Hawaii Sea Level Rise Vulnerability and Adaptation Report" prepared by the Hawaii Climate Change Mitigation and Adaptation Commission, into applicable plans, strategies, and mapping.

Your Committees received testimony in support of this measure from the Office of Planning, State of Hawaii; University of Hawai'i System; Sierra Club of Hawai'i; Ho'omana Pono, LLC; Hawaiian Civic Club of Honolulu; West Hawaii CHC; and six individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources and Hawaii Emergency Management Agency.

Your Committees find that prudent pre-disaster planning and efficient post-disaster responses are essential to the State's functioning in the wake of an unexpected disaster event. Therefore, it is necessary for the State's emergency management officials to consider and analyze credible data that could assist in developing efficient and workable solutions for any future post-disaster recovery. One area of obvious future concern is sea level rise and other climate change hazards that could drastically impact the State and cause massive disruption. The Hawaii Climate Change Mitigation and Adaptation Commission has already made findings relating to sea level rise and other climate change hazards in its "Hawaii Sea Level Rise Vulnerability and Adaptation Report" and those findings should be incorporated into applicable state and county plans, strategies, and mapping.

However, your Committees also find that the threat of sea level rise and other climate change hazards are such that consideration of such factors should be made at all levels of planning within the State. It is not enough that emergency management and hazard mitigation plans alone consider sea level rise and other climate change hazards. Therefore, your Committees find that the provisions of this measure would be more effective if made part of the Hawaii State Planning Act.

Accordingly, your Committees have amended this measure by adding the provisions of this measure as a new section to chapter 226, Hawaii Revised Statutes, instead of chapter 127A, Hawaii Revised Statutes.

As affirmed by the records of votes of the members of your Committees on Government Operations, Water and Land, and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2334, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2334, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Government Operations: Ayes, 4. Noes, none. Excused, 1 (Galuteria).
Water and Land: Ayes, 3. Noes, none. Excused, 2 (Gabbard, Inouye).
Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Ihara, Wakai).

SCRep. 2011 Higher Education on S.B. No. 2862

The purpose and intent of this measure is to require the University of Hawai'i to submit a report to the legislature within thirty days of each appropriation transfer or changes between programs.

Your Committee received testimony in opposition to this measure from the University of Hawai'i.

Your Committee finds that, unlike most state agencies, the University of Hawai'i has the authority to transfer appropriated funds and positions among programs and between fiscal quarters without legislative authorization. Although the University of Hawai'i is currently required to account for these transfers in quarterly and fiscal year-end reports to the Legislature, your Committee finds that a thirty day reporting requirement would make the financial flexibility enjoyed by the University of Hawai'i more transparent and accountable.

Your Committee has amended this measure by inserting an effective date of May 12, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2862, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2862, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kidani).

SCRep. 2012 Higher Education on S.B. No. 2833

The purpose and intent of this measure is to authorize the University of Hawai'i to issue \$100,000,000 in revenue bonds for the purpose of financing the construction and maintenance of qualifying capital improvement projects.

Your Committee received testimony in support of this measure from the University of Hawai'i System; Oahu County Legislative Priorities Committee of the Democratic Party of Hawai'i; Associated Students of the University of Hawai'i, Hawai'i Community College; and one individual.

Your Committee finds that university revenue bonds have been utilized to finance the construction of new projects and the renovation and major repair of existing facilities at the University of Hawai'i. University projects have included faculty and student housing; classroom, laboratory, and office space; student support, research, athletic, and utility facilities; libraries; and parking structures. The availability of revenue bond authority would be a strategic revenue source and a supplement to limited general obligation funding and only used for financing projects that are revenue-generating or financially appropriate for the University of Hawai'i.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2018; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2833, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2833, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kidani).

SCRep. 2013 Higher Education on S.B. No. 2544

The purpose and intent of this measure is to establish a college savings program income tax credit.

Your Committee received testimony in support of this measure from the Ocean Tourism Coalition, Quicksilver Charters, and one individual. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that Hawaii's college savings program is codified as chapter 256, Hawaii Revised Statutes, and that this measure is intended to create an incentive for taxpayers to invest in the college savings program. Your Committee notes that other jurisdictions allow contributions to a college savings program to be used as a tax deduction.

Your Committee has amended this measure by clarifying that the tax credit limit of \$500 for each contribution applies to each designated beneficiary without limitation on the total amount that may be claimed by a taxpayer.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2544, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2544, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kidani).

SCRep. 2014 Housing on S.B. No. 2024

The purpose and intent of this measure is to:

- (1) Establish within the Hawaii Public Housing Authority a housing support program that provides housing support payments to participating landlords on behalf of the persons or families who meet certain eligibility requirements;
- (2) Establish eligibility requirements for housing support payments under the housing support program;
- (3) Require the Hawaii Public Housing Authority to negotiate monthly housing support payment rents that meet certain requirements with participating landlords;
- (4) Establish the housing support program special fund for the purpose of making housing support payments on behalf of eligible persons or families in the housing support program; and
- (5) Appropriate funds into the housing support program special fund and out of the housing support program special fund to make housing support payments on behalf of eligible persons or families in the housing support program.

Your Committee received testimony in support of this measure from the League of Women Voters of Hawaii and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii. Your Committee received comments on this measure from the Governor's Coordinator on Homelessness, Hawaii Public Housing Authority, and Department of Budget and Finance.

Your Committee finds that homelessness remains one of the most pressing challenges facing Hawaii. As a result, the State has adopted a comprehensive framework to address homelessness that focuses on three primary leverage points, which are affordable housing, health and human services, and public safety. With respect to affordable housing initiatives, the State has increased resources for permanent housing programs, such as Housing First and Rapid Rehousing. This measure will assist the State in its efforts to enable residents who are at risk of being homeless to remain in their homes.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Hawaii Public Housing Authority that:
 - (A) Requires the Authority to develop interim rules without regard to chapter 91, Hawaii Revised Statutes, to implement the housing support program; and

(B) Authorizes the Authority to procure case management and counseling services without regard to chapters 103D and 103F, Hawaii Revised Statutes, to implement the housing support program; and

(2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2024, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2024, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2015 Housing on S.B. No. 2293

The purpose and intent of this measure is to preserve the Front Street Apartments on Maui as an affordable rental housing project by:

- (1) Requiring the Hawaii Housing Finance and Development Corporation, or any appropriate entity of the State as determined by the Governor, to immediately initiate negotiations with the owners of the Front Street Apartments to:
 - (A) Make available, without competitive award, public financing resources to extend the affordable rents at the Front Street Apartments through at least 2027 for apartment tenants as of January 1, 2018, who meet certain median family income levels; or
 - (B) Acquire the property, provided that certain apartment units are reserved for tenants who meet certain median family income levels;
- (2) Authorizing the State to exercise the powers of eminent domain to provide for the public financing of the acquisition of the Front Street Apartments by condemnation through the expenditures of funds at the disposal of the State, if an agreement to extend the affordable rents or acquire the property is not reached within a reasonable time; and
- (3) Appropriating funds to the Hawaii Housing Finance and Development Corporation for the purposes of negotiating with the owners of the Front Street Apartments and requiring the County of Maui to appropriate matching county funds.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation; Office of the Mayor, County of Maui; EAH Housing; Oahu County Committee on Legislative Priorities Democratic Party of Hawaii; Ho'omanapono Political Action Committee; We Are One, Inc.; Waiahole-Waikane Community Association; The Front Street Apartments Tenants Group; West Maui Taxpayers Association; and fifteen individuals. Your Committee received testimony in opposition to this measure from the Front Street Affordable Housing Partners. Your Committee received comments on this measure from two individuals.

Your Committee finds that the Front Street Apartments on Maui provide affordable housing to more than two hundred fifty low-income residents. These apartments were developed in 2001 as an affordable rental housing project with one hundred forty-two apartment units, using state financing and state tax credits, and were expected to remain affordable to low-income tenants for fifty years. However, the owners of the Front Street Apartments recently exercised an option to remove the property from affordability requirements that were tied to the development of the property, and this change will allow them to begin renting available apartments at market rates and likely raise rents for existing tenants within a few years.

Your Committee further finds that the County of Maui has a dire need for additional affordable housing. The most recent Hawaii Housing Planning Study indicates a need for twelve thousand housing units on Maui for 2015 to 2025. The current tenants of the Front Street Apartments consist of households with incomes below sixty percent of the area median income for the County of Maui. Some of the tenants are disabled or elderly and represent the most vulnerable populations. If the tenants of the Front Street Apartments lose their apartment units, there are virtually no other affordable rental units for them to move into, and many of them could become homeless as a result.

Your Committee notes that Act 288, Session Laws of Hawaii 2006, authorized the State to intervene to preserve affordable rents at the Kukui Gardens affordable rental housing project on Oahu. The tenants, surrounding community, and the island of Maui would benefit from similar active state intervention in this situation to ensure that there is no negative impact on current and future tenants of the Front Street Apartments. Accordingly, this measure authorizes the State to intervene to preserve the Front Street Apartments on Maui as an affordable rental housing project.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2293, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2293, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2016 (Joint) Housing and Human Services on S.B. No. 2423

The purpose and intent of this measure is to expand and clarify the no smoking radius around public housing projects, elder or elderly housing, and state low-income housing projects to twenty-five feet from each individual and each administrative office building

of the public housing project, elder or elderly housing, and state low-income housing project under the jurisdiction of the Hawaii Public Housing Authority.

Your Committees received testimony in support of this measure from the Department of Health, Hawaii Public Housing Authority, and Coalition for a Tobacco-Free Hawai'i of the Hawai'i Public Health Institute.

Your Committees find that the United States Department of Housing and Urban Development instituted a final rule requiring public housing agencies to implement a smoke-free policy by July 30, 2018. While existing law and internal policies require smoke-free zones at public housing projects under the jurisdiction of the Hawaii Public Housing Authority, the law and policies fail to comply with the federal standards of no smoking up to twenty-five feet away from public housing units and administrative office buildings. This measure enables the Hawaii Public Housing Authority to comply with the smoke-free requirements established by the federal government.

As affirmed by the records of votes of the members of your Committees on Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2423 and recommend that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

Human Services: Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2017 (Joint) Human Services and Housing on S.B. No. 2008

The purpose and intent of this measure is to appropriate funds to the Department of Human Services to increase outreach and provide shelter and services to unaccompanied homeless youth.

Your Committees received testimony in support of this measure from the Governor's Coordinator on Homelessness, Office of Youth Services, The Queen's Health Systems, Hawaii Youth Services Network, Partners in Care, The Kupuna Caucus of the Democratic Party of Hawai'i, Residential Youth Services & Empowerment, Hawaiian Affairs Caucus of the Democratic Party of Hawai'i, Oahu County Committee Legislative Priorities of the Democratic Party of Hawaii, Domestic Violence Action Center, LGBT Caucus of the Democratic Party of Hawaii, League of Women Voters, Americans for Democratic Action, Rainbow Family 808, Ho'omanapono Political Action Committee, and twenty-one individuals.

Your Committees find that addressing the needs and concerns of unaccompanied homeless youth is a statewide challenge. Your Committees further find that addressing youth homelessness requires a multi-faceted approach, and outreach and shelter are critical components to assisting this underserved population.

Your Committees have amended this measure by:

- (1) Deleting findings discussing the recent crimes in Waikiki involving homeless youth and inserting language discussing the challenges unaccompanied homeless youth encounter living on their own;
- (2) Increasing the appropriation amount to \$500,000; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2008, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2008, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 1 (Wakai).

Housing: Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 2018 Human Services on S.B. No. 2438

The purpose and intent of this measure is to appropriate funds for the continuation of the Hawaii healthy aging partnership program.

Your Committee received testimony in support of this measure from the Executive Office on Aging, ILWU Local 142, Oahu County Committee Legislative Priorities of the Democratic Party of Hawaii, Ho'omanapono Political Action Committee, and twenty-nine individuals.

Your Committee finds that in Hawaii, an individual spends on average \$20,477 per year on emergency room visits and hospitalizations. Your Committee further finds that the Hawaii healthy aging partnership program has shown that participants with chronic conditions benefit from the self-management techniques and exercises in avoiding long term effects of chronic conditions and that the program should receive financial support for continued implementation.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2438 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2019 Human Services on S.B. No. 2269

The purpose and intent of this measure is to:

- (1) Require prescription drug coverage provided under the State's Medicaid managed care and fee-for-service programs to include prescription drug coverage for buprenorphine, when used in the treatment of opioid dependency; and
- (2) Require prescriptions for buprenorphine to be offered without copayments and without the need for prior authorization.

Your Committee received testimony in support of this measure from the Oahu County Committee Legislative Priorities Committee of the Democratic Party of Hawaii, Hawaii Substance Abuse Coalition, and two individuals. Your Committee received comments on this measure from the Department of Human Services, Department of Health, Hawaii Medical Service Association, Kaiser Permanente, and Ohana Makamae, Inc.

Your Committee finds that there are over fifty thousand opioid prescriptions per year in the State and about one-third of the population uses opioids. Your Committee further finds that medications such as buprenorphine, in combination with counseling and behavioral therapies, provide a comprehensive approach to the treatment of opioid dependency and should be covered under the Medicaid managed care and fee-for-service program without any copayment or prior authorization requirements.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2269 and recommends that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2020 Human Services on S.B. No. 2029

The purpose and intent of this measure is to provide tax relief by establishing a new child tax credit to assist child care costs for working families.

Your Committee received testimony in support of this measure from the Hawaii Appleseed Center for Law & Economic Justice, Hawaii Children's Action Network, Oahu County Committee Legislative Priorities Committee of the Democratic Party of Hawaii, and one individual. Your Committee received comments on this measure from the Department of Taxation and Department of the Attorney General.

Your Committee finds that the cost of raising a child in Hawaii is much higher than the national average due to the cost of child care in Hawaii and because, when adjusted for cost of living, wages in Hawaii are amongst the lowest in the nation. Your Committee further finds that the federal child tax credit enacted twenty years ago has been shown to be an effective tool to address poverty and assist lower income families and that a similar state tax credit would provide valuable financial relief for local families.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2029, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2029, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2021 (Joint) Human Services and Housing on S.B. No. 2027

The purpose and intent of this measure is to appropriate funds to continue and improve the coordinated statewide homeless initiative.

Your Committees received testimony in support of this measure from The Queen's Health Systems, The Salvation Army, Aloha United Way, League of Women Voters, Hawaii Appleseed Center for Law & Economic Justice, Oahu County Committee Legislative Priorities Committee of the Democratic Party, Hawaii Substance Abuse Coalition, Family Promise of Hawai'i, Ho'omanapono Political Action Committee, and one individual. Your Committees received testimony in opposition to this measure from the State Procurement Office. Your Committees received comments on this measure from the Governor's Coordinator on Homelessness, Department of the Attorney General, Department of Human Services, and Department of Health.

Your Committees find that in the eighteen months of operation, the coordinated statewide housing initiative assisted over one thousand six hundred households and four thousand nine hundred individuals by either preventing eviction or helping homeless families and individuals move into permanent housing. Your Committees further find that evictions have dropped by twenty-five percent on Oahu, while ninety-seven percent of the households assisted by the initiative remain housed.

Your Committees have amended this measure by:

- (1) Eliminating certain duties and powers of the master contractor and inserting language directing the master contractor to operate a coalition of agencies to provide short-term financial assistance and coordinate with the coordinated entry system to provide navigation services and assistance of placement of homeless households into permanent housing;
- (2) Inserting an appropriation amount of \$2,500,000, with \$2,000,000 allocated to continuation of the statewide homeless initiative and \$500,000 allocated to landlord outreach and liaison activities within the initiative; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2027, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2027, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Human Services: Ayes, 4. Noes, none. Excused, 1 (Wakai).
 Housing: Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 2022 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2859

The purpose and intent of this measure is to create restrictions and guidelines on the use of administrative segregation and disciplinary segregation in correctional facilities.

Your Committee received testimony in support of this measure from the Hawaii Disability Rights Center and one individual. Your Committee received testimony in opposition to this measure from the Young Progressives Demanding Action. Your Committee received comments on this measure from the Department of Public Safety and one individual.

Your Committee finds that administrative or disciplinary segregation on inmates is a significant action taken against inmates and use of either requires clearly established guidelines. Administrative and disciplinary segregation are actions ripe for abuse, and the impacts of any such abuse can be harmful and long-lasting. Accordingly, this measure:

- (1) Establishes the maximum length of time that an inmate may be held in administrative or disciplinary segregation;
- (2) Establishes procedures for continued placement in administrative or disciplinary segregation;
- (3) Creates restrictions on the deprivation of certain necessities of an inmate in administrative or disciplinary segregation;
- (4) Establishes guidelines for the use of administrative or disciplinary segregation on a member of a vulnerable population; and
- (5) Establishes criteria for classifying an inmate as a member of a vulnerable population.

However, your Committee finds that the issues surrounding this measure raise concerns that merit further discussion. Accordingly, your Committee has amended this measure by:

- (1) Inserting an effective date of January 1, 2025, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2859, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2859, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
 Ayes, 5. Noes, none. Excused, none.

SCRep. 2023 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2696

The purpose and intent of this measure is to provide an income tax credit for wages paid by a technology business owner to employees who were formerly in the custody of the Department of Public Safety.

Your Committee received testimony in support of this measure from the Department of Public Safety. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and one individual.

Your Committee finds that the successful reintegration of former inmates back into society is essential to maintaining the effectiveness of the corrections system and promoting public welfare. Upon release from incarceration, it is often difficult for former inmates to find meaningful employment. Without meaningful employment, former inmates are at a higher risk of recidivism. To reduce that risk, it is important to create incentives for businesses to hire formerly incarcerated persons. Accordingly, this measure creates a tax credit on a technology business owner's net income tax liability for certain wages paid to former inmates under their employ.

In addition, your Committee agrees with the suggestion of the Tax Foundation of Hawaii that, instead of creating an entirely new tax credit, section 235-55.91, Hawaii Revised Statutes, should be amended to include the tax credit proposed by this measure. Establishing this measure's tax credit through the existing tax code should help avoid unforeseen issues that often accompany the creation of new tax credits. Further, your Committee agrees with the recommendation of the Department of Public Safety that this measure should allow only those technology businesses that participate in the Work Opportunity Tax Credit program administered by the United States Department of Labor, Employment, and Training to qualify for the tax credit proposed by this measure.

Accordingly, your Committee has amended this measure by:

- (1) Incorporating the tax credit for wages of former inmates hired by a technology business into section 235-55.91, Hawaii Revised Statutes;
- (2) Clarifying the definition of a "technology business" to include only those technology businesses that also participate in the Work Opportunity Tax Credit program administered by the United States Department of Labor, Employment, and Training Administration; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2696, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2696, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2024 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2816

The purpose and intent of this measure is to specify that funds for discharged persons be subject to legislative appropriation.

Your Committee received testimony in support of this measure from the Hawaii Paroling Authority, Community Alliance On Prisons, and one individual. Your Committee received testimony in opposition to this measure from the Young Progressives Demanding Action. Your Committee received comments on this measure from one individual.

Your Committee finds that an efficient and effective parole system is essential to the proper functioning of the State's corrections system. The law provides that the Hawaii Paroling Authority, in its discretion, may upon discharge or parole provide a committed person with up to \$200 to meet the committed person's immediate needs. This measure clarifies that provision by ensuring the Paroling Authority shall only provide these funds if legislative appropriations for this specific purpose have been authorized and allocated to the Authority.

However, your Committee also finds that the provision of funds alone is often insufficient to meet the immediate needs of a committed person being discharged. It is also important that the person receive appropriate resource referrals upon transitioning back into society.

Accordingly, your Committee has amended this measure by:

- (1) Requiring that committed persons be given appropriate resource referrals before being furnished with funds to meet the committed person's immediate needs by the Hawaii Paroling Authority at discharge; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2816, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2816, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2025 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2820

The purpose and intent of this measure is to make an emergency appropriation to provide funds for the Department of Public Safety to pay for the temporary housing of two hundred forty-eight inmates at a non-state facility for an additional six months, during work on capital improvements to the Halawa Correctional Facility.

Your Committee received testimony in support of this measure from the Department of Public Safety. Your Committee received testimony in opposition to this measure from Young Progressives Demanding Action.

Your Committee finds that ensuring the proper functioning of the State's correctional facilities is essential for maintaining public safety. The Halawa Correctional Facility is currently undergoing needed repairs and improvements to security electronics and hardware. In 2017, the Legislature allocated funds to the Department of Public Safety for temporary non-state housing for two hundred forty-eight inmates while the upgrades were being completed. The improvement project was scheduled to be completed in December 2017, but due to complications related to the specialty subcontractor's work and the time needed to hire a new vendor, the anticipated completion date for the project has been pushed back to October 2018. Consequently, funds will be needed to continue the temporary housing of the two hundred forty-eight inmates at a non-state facility for another six months to enable the project to move forward to completion. Accordingly, this measure makes an emergency appropriation to provide funds for the Department of Public Safety to pay for the necessary, temporary housing of the Halawa Correctional Facility inmates.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2820 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2026 Labor on S.B. No. 2042

The purpose and intent of this measure is to amend the law relating to collective bargaining.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by deleting its contents and replacing it with language to include school psychologists in bargaining unit (5).

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2042, as amended herein, and recommends that it be recommended to your Committee on Labor, in the form attached hereto as S.B. No. 2042, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Ihara).

SCRep. 2027 Housing on S.B. No. 2472

The purpose and intent of this measure is to establish a home ownership housing revolving fund to be administered by the Hawaii Housing Finance and Development Corporation for the purpose of providing loans or grants for affordable home ownership housing projects in accordance with a specified housing project priority list.

Your Committee received testimony in support of this measure from the League of Women Voters of Hawaii, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Hawaiian Community Assets, IMUAlliance, and Hawaii Habitat for Humanity Association. Your Committee received comments on this measure from the Hawaii Housing Finance and Development Corporation and Department of Budget and Finance.

Your Committee finds that Hawaii has the third lowest home ownership rate in the nation. The lack of construction and development of affordable for-sale housing contributes to the State's low affordable housing inventory. This measure will assist in facilitating additional affordable housing projects by creating an infusion of funding resources through the creation of a home ownership housing revolving fund.

Your Committee has amended this measure by:

- (1) Adopting the suggestion made by the Hawaii Housing Finance and Development Corporation to add clarifying language throughout the measure that monies from the home ownership housing revolving fund be used for the development of affordable for-sale housing projects, rather than affordable rental housing projects, to distinguish the purposes of this revolving fund from the rental housing revolving fund; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2472, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2472, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2028 Agriculture and Environment on S.B. No. 2285

The purpose and intent of this measure is to:

- (1) Prohibit the distribution, sale, and provision of plastic straws by individuals and businesses in the State; and
- (2) Impose a fine for violations and a requirement for violators to pick up litter or perform other types of community service.

Your Committee received testimony in support of this measure from the Hawai'i Association for Behavior Analysis, Conservation Council for Hawai'i, Surfrider Foundation, Surfrider Foundation O'ahu Chapter, Environmental Caucus of the Democratic Party of Hawai'i, Sierra Club of Hawai'i, Young Progressives Demanding Action, Vote Hawaii, Graduate Student Organization, Hawaiian Civic Club of Honolulu, Autism Behavior Consulting Group, Magic's Beach Grill, Kokua Hawaii Foundation, 808 Cleanups, Beach Environmental Awareness Campaign Hawai'i, O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i, One Ocean Global Plastics Project, and forty-three individuals. Your Committee received testimony in opposition to this measure from the Hawai'i Restaurant Association; American Chemistry Council; Hawaii Food Industry Association; Tiki's Grill & Bar, LLC; Retail Merchants of Hawaii; and four individuals. Your Committee received comments on this measure from the Department of Health and one individual.

Your Committee finds that plastic straws are seemingly everywhere, often ending up as marine trash, littering beaches, or being consumed by sea life. Other jurisdictions have taken steps to prohibit the sale and distribution of plastic straws. Hawaii, as a leader in advancing protection of marine life and the marine environment, should ban these unnecessary, single-use objects that are contributing to the world's plastic pollution problem. Your Committee finds that this measure is another way to create state policy to lessen the negative impacts of plastics getting into the ocean.

Your Committee has amended this measure by:

- (1) Changing the effective date to January 1, 2019, to allow time for those affected by this measure to prepare for implementation; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2285, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2285, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Nishihara, Riviere).

SCRep. 2029 (Majority) Agriculture and Environment on S.B. No. 2567

The purpose and intent of this measure is to require cesspools to be upgraded, converted, or connected by connecting to a sewer system or installing an individual wastewater system that complies with Department of Health rules, within one hundred eighty days after the sale of the property.

Your Committee received testimony in support of this measure from the Department of Health, Surfrider Foundation, Friends of Hanauma Bay, Environmental Caucus of the Democratic Party of Hawai'i, O'ahu County Legislative Priorities Committee of the

Democratic Party of Hawai'i, and two individuals. Your Committee received testimony in opposition to this measure from the Office of the Mayor of the County of Hawaii and Hawaii Association of REALTORS.

Your Committee finds that Hawaii has 88,000 cesspools that deposit approximately 53,000,000 gallons of raw sewage directly into the groundwater every day. Drinking water, public recreation, and the precious coral reefs, on which Hawaii's economy, shoreline, recreation, fisheries, and native species depend, are or may be harmed by such pollution. Your Committee further finds that upgrading cesspools can be very expensive, therefore it is ideal that cesspools be required to be upgraded at a time when owners have an ability to negotiate costs and pay for the upgrade, such as at or within one hundred eighty days of the sale of the property.

Your Committee further finds that the Department of Health recently released its 2018 report to the Legislature titled *Relating to Cesspools and Prioritization for Replacement*, in which the Department of Health identifies priority upgrade areas and assigns cesspools one of the following priority levels:

- (1) Priority 1: Significant Risk of Human Health Impacts, Drinking Water Impacts, or Draining to Sensitive Waters;
- (2) Priority 2: Potential to Impact Drinking Water;
- (3) Priority 3: Potential Impacts on Sensitive Waters; or
- (4) Priority 4: Impacts Not Identified.

Your Committee finds that cesspools that have been identified by the Department of Health as priorities for upgrade should also be prioritized within this measure.

Accordingly, your Committee has amended this measure by:

- (1) Limiting the requirement to upgrade cesspools within one hundred eighty days of the sale of the property to property located within priority upgrade areas and identified as priority level 1, 2, or 3, as determined by the Department of Health;
- (2) Adding language to allow for property identified as priority level 4 and included in additional priority upgrade areas to be required to be upgraded within one hundred eighty days of the sale of the property, upon determination by the Director of Health; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2567, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2567, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

Ayes, 2. Noes, 1 (Ruderman). Excused, 2 (Nishihara, Riviere).

SCRep. 2030 Agriculture and Environment on S.B. No. 2110

The purpose and intent of this measure is to require retail automotive parts stores to accept used motor oil for recycling or disposal.

Your Committee received testimony in support of this measure from the O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Health and County of Hawaii Department of Environmental Management.

Your Committee finds that recycling used oil is a great way to help the environment. Used motor oil can be cleaned and fully reused as a fuel oil, and with higher-intensity processing, it can be re-refined back into lubricants. Beyond automotive motor oil, used motor oil from motorcycles, boats, farm equipment, and lawn mowers can be reused or re-refined as well. Your Committee further finds that facilities are needed statewide to accept used motor oil for recycling for proper disposal; however, your Committee acknowledges that not all retail automotive parts stores have the infrastructure necessary to collect and store used motor oil.

Accordingly, your Committee has amended this measure by:

- (1) Limiting the application of this measure to only those retail automotive parts stores with an existing oil collection and storage unit and requiring them to accept only household generated used motor oil, rather than requiring all retail automotive parts stores to accept all used motor oil; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2110, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2110, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2031 Agriculture and Environment on S.B. No. 3096

The purpose and intent of this measure is to prohibit the State from discriminating against persons who reduce their greenhouse gas emissions.

Your Committee received testimony in support of this measure from Life of the Land, Hawaiian Civic Club of Honolulu, West Hawaii Community Health Center, O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i, Hawaii

Farmers Union United, 350 Hawaii, and three individuals. Your Committee received testimony in opposition to this measure from the Department of Health.

Your Committee finds that individuals can reduce their greenhouse gas emissions by being more conscious of their own actions, which may include disconnecting from an electric grid and installing on-site renewable energy systems, energy efficiency systems, and energy storage systems. Your Committee also finds that the State should promote a worldview where renewable energy users are considered to be in the public interest.

Your Committee has amended this measure by:

- (1) Inserting language to encourage people to reduce their greenhouse gas emissions through the installation of on-site renewable energy systems, energy efficiency systems, and energy storage systems, and deleting language that prohibited discrimination against people who reduce their greenhouse gas emissions; and
- (2) Amending section 1 to reflect the amended purpose.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3096, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3096, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Nishihara, Riviere).

SCRep. 2032 Judiciary on S.B. No. 2172

The purpose and intent of this measure is to clarify applicable witness fees for testimony, preparation, and in-court attendance in state court criminal proceedings.

Your Committee received testimony in support of this measure from the Office of the Public Defender, Department of the Prosecuting Attorney of the City and County of Honolulu, and Office of the Prosecuting Attorney of the County of Hawaii. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the testimony of expert witnesses is an important resource for a variety of criminal court proceedings. In some cases, including many sexual assault cases, it is almost impossible for the prosecution to establish its case without the assistance of an expert witness. Expert witness testimony can also be crucial to a defense against criminal allegations if the defense relies on a careful and correct consideration of complex facts or specialized practices. Limiting access to expert witness testimony through arbitrarily truncating trial expenses impedes the ability of the court to give criminal court cases the full and just consideration that those cases deserve.

Your Committee has amended this measure by:

- (1) Specifying that expert witnesses are entitled to reasonable fees; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2172, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2172, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2033 Agriculture and Environment on S.B. No. 2674

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including goal thirteen, climate action, of the seventeen United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Office of Planning, Department of Land and Natural Resources, Department of Agriculture, Office of Hawaiian Affairs, Airport Concessionaires Committee, Sierra Club of Hawai'i, Hawaiian Civic Club of Honolulu, The Nature Conservancy, O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i, and Hawaii Farmers Union United. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Office of Environmental Quality Control and Hawai'i Farm Bureau.

Your Committee finds that Hawai'i has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that the priority of the Senate for the Regular Session of 2018 is to adopt the United Nation's Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal thirteen, climate action, into state law.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2674 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Nishihara, Riviere).

SCRep. 2034 Agriculture and Environment on S.B. No. 2573

The purpose and intent of this measure is to establish and make an appropriation for a regional nutrient cycling pilot program on Maui and require reporting on the efficacy of the pilot project.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawai'i Center for Food Safety; Hawaii Farmers Union United; We Are One, Inc.; and eight individuals.

Your Committee finds that nutrient cycling fosters agricultural production by preventing nutrients from running off from farmland directly into aquifers and shorelines. Nutrient cycling puts end products back into the land-based food chain instead of generating waste or causing pollution, as with food waste. Your Committee further finds that nutrient cycling lowers agricultural production costs, increases yields, reduces waste in streams, and leaves the soil in revitalized condition. Your Committee also finds that a regional nutrient cycling center in Hawaii, particularly on Maui, would promote environmental, economic, and social benefits for the State along with food and energy security, while minimizing the interisland transfer of waste streams and reducing the likelihood of transporting invasive species.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2573 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Nishihara, Riviere).

SCRep. 2035 Agriculture and Environment on S.B. No. 2842

The purpose and intent of this measure is to authorize the Director of Finance to issue general obligation bonds and appropriate funds for the acquisition of certain farm lands in west Kauai by the Agribusiness Development Corporation.

Your Committee received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Hawaii Floriculture & Nursery Association; Hartung Brothers Hawaii, LLC; Hawai'i Farm Bureau; and Hawaii Cattlemen's Council, Inc.

Your Committee finds that the Agribusiness Development Corporation is tasked with the priority of transitioning Hawaii's agriculture industry from an industry dominated by sugar and pineapple to one based on a greater diversity of crops. Due to the rapid downsizing and closure of agricultural companies in the State, there are large tracts of land currently available for agricultural economic growth. This measure provides a means by which the Agribusiness Development Corporation can acquire certain large tracts of former agricultural land located in west Kauai for agricultural development.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2842 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Nishihara, Riviere).

SCRep. 2036 Agriculture and Environment on S.B. No. 3030

The purpose and intent of this measure is to improve food security and self-sufficiency in the State by establishing a farmer apprentice mentoring program that teaches and provides mentoring on a whole farm system approach to agriculture in Hawaii.

Your Committee received testimony in support of this measure from the Department of Agriculture, University of Hawaii College of Tropical Agriculture and Human Resources, Hawaii Farm Bureau, Hawaii Farmers Union United, Hawaii Floriculture & Nursery Association, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, and two individuals.

Your Committee finds that the development of a whole system approach to agriculture in Hawaii that pays close attention to soil health, specifically increasing mineral availability and improving soil structure, water-holding capacity, crop health, and food nutrition levels, will lower water usage through deployment of green manure, compost, and cover crops; reduce crop loss from pest damage; and decrease weed pressure. This whole farm system approach to agriculture can improve food security and benefit the local economy through reducing production costs by promoting locally sourced inputs and the manufacturing thereof. Teaching a new generation of farmers to use this whole farm system approach will create an alternative method of farming that appeals to many young farmers across the State. Your Committee finds that currently there is a shortage of qualified teachers for these farm methods; therefore, a farmer apprentice mentoring program will fulfill this need by bringing the students to the farm and providing qualified farm mentors with funding to serve as teachers and mentors.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3030 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2037 Agriculture and Environment on S.B. No. 2667

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including goal six, clean water and sanitation, of the seventeen United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Office of Planning, Department of Land and Natural Resources, Department of Agriculture, Office of Hawaiian Affairs, Airport Concessionaires Committee, Sierra Club of Hawai'i, Hawaiian Civic Club of Honolulu, The Nature Conservancy, O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i, Hawaii Farmers Union United, and one individual. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Office of Environmental Quality Control and Hawai'i Farm Bureau.

Your Committee finds that Hawai'i has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that the priority of the Senate for the Regular Session of 2018 is to adopt the United Nation's Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal six, clean water and sanitation, into state law.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2667 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Nishihara, Riviere).

SCRep. 2038 Judiciary on S.B. No. 2231

The purpose and intent of this measure is to exempt unpaid board or commission members whose financial disclosure statements are not public records from the daily late disclosure fee.

Your Committee received testimony in opposition to this measure from Common Cause Hawaii and Ho'omana Pono, LLC. Your Committee received comments on this measure from the Hawaii State Ethics Commission.

Your Committee finds that Article XIV of the Constitution of the State of Hawaii requires that all board and commission members who wield "significant discretionary or fiscal powers" file financial disclosure statements to promote transparency and accountability. State government relies on hundreds of private individuals to come forward and volunteer their time to serve on various boards or commissions. By and large these volunteers are required to submit financial disclosures. However, when these individuals are subjected to fines for filing their financial disclosure late, it serves as a deterrent for volunteering their time, energy, and service to the State.

Your Committee has amended this measure by making a clarifying amendment in the purpose section.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2231, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2231, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2039 Water and Land on S.B. No. 815

The purpose and intent of this measure is to:

- (1) Require a seller of residential real property to disclose the presence of all albizia trees rooted within one hundred fifty feet of the residential real property in a disclosure statement; and
- (2) Require any ambiguity that arises from the disclosure of the presence of albizia trees to be construed in the favor of the seller, provided that a good faith effort was made by the seller.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and two individuals.

Your Committee finds that albizia trees pose a substantial threat to infrastructure and individuals due to the potential hazard of falling tree limbs and debris. Due to their extreme height, albizia trees pose a threat to not only the properties on which these trees are rooted, but also to adjacent properties where branches and other debris may fall during high wind events. This measure will assist in providing buyers additional material facts relating to the residential real property for sale by requiring the disclosure of the presence of albizia trees.

Your Committee notes that due to the fast growth rate of albizia trees, the presence of rooted albizia trees within one hundred fifty feet of the residential real property may be difficult to determine and accurately disclose, especially if the tree is a sapling.

Accordingly, your Committee has amended this measure by:

- (1) Removing language that would have required the disclosure of the presence of all albizia trees rooted within one hundred fifty feet of the residential real property and inserting language that requires the seller to disclose the presence of all albizia trees located on the real property for sale and all albizia trees that are not located on the real property for sale, but are clearly visible from anywhere on that property;
- (2) Requiring that disclosure statements include additional information regarding the risks of albizia trees; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 815, as amended herein, and recommends that it pass Second Reading

in the form attached hereto as S.B. No. 815, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Gabbard, Inouye).

SCRep. 2040 Housing on S.B. No. 2757

The purpose and intent of this measure is to:

- (1) Extend to June 30, 2026, the certification requirements for exemption from the general excise tax for certain affordable rental housing projects; and
- (2) Amend the certification requirements for exemption from the general excise tax for those affordable rental housing projects by:
 - (A) Applying the exemption to only newly constructed affordable rental housing projects;
 - (B) Repealing the per annum cap of \$7,000,000 for contracting costs; and
 - (C) Conditioning certification upon the project owners not refusing to lease units in the projects to qualified applicants because they hold a voucher or certificate of eligibility under the Section 8 Housing Choice Voucher Program.

Your Committee received testimony in support of this measure from the Office of the Governor; Department of Business, Economic Development, and Tourism; Department of Taxation; Hawaii Housing Finance and Development Corporation; Hawaii Public Housing Authority; League of Women Voters of Hawaii; Hawaii Regional Council of Carpenters; Hawai'i Construction Alliance; Pacific Resource Partnership; and Helping Hands Hawai'i. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the Special Action Team on Affordable Rental Housing has determined that additional incentives are needed to spur rental housing development to meet housing demands. Under existing law, the Hawaii Housing Finance and Development Corporation is authorized to certify that a housing project is entitled to an exemption from the general excise tax. Only after receiving this certification can a taxpayer claim the tax exemption. This measure provides incentives for developers to immediately start their housing developments to take advantage of the exemption from the general excise tax before the exemption sunsets. Furthermore, by requiring project owners to accept section 8 Housing Choice Vouchers as a condition of certification, this measure will increase the use of the Section 8 program statewide.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Hawai'i Construction Alliance that clarifies that the exemption applies to approved or certified projects developed by a person or firm to provide affordable rental housing through new construction or substantial rehabilitation, to ensure that substantial rehabilitation projects, rather than only newly constructed projects, are included within the program; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2757, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2757, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2041 Economic Development, Tourism, and Technology on S.B. No. 48

The purpose and intent of this measure is to amend the law relating to technology.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by deleting its contents and replacing it with language that transfers the title, control, custody, and management authority of the land under the Manoa Innovation Center, including any buildings, structures, and appurtenances situated on the land, from the University of Hawaii to the Hawaii Technology Development Corporation.

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 48, as amended herein, and recommends that it be recommitted to your Committee on Economic Development, Tourism, and Technology, in the form attached hereto as S.B. 48, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2042 Commerce, Consumer Protection, and Health on S.B. No. 2891

The purpose and intent of this measure is to create and appropriate funds for a pilot program to increase provider adoption of telehealth, support health care workforce development linked to telehealth, and evaluate the clinical and administrative efficiency of telehealth.

Your Committee received testimony in support of this measure from County of Hawaii, Office of the Mayor; Hawaii Primary Care Association; Hawaii Substance Abuse Coalition; Wahiawa Center for Community Health; and five individuals. Your Committee received testimony in opposition to this measure from the State Procurement Office.

Your Committee finds that many residents, especially those in rural areas, are unable to visit a health center in person, whether because of limited financial resources, lack of transportation, disability, or other reasons. This lack of access is exacerbated by the severe shortage of health care professionals, especially in rural areas. Your Committee finds that the telehealth pilot program proposed by this measure presents an opportunity to increase adoption of the use of telehealth by providers and patients and an opportunity to evaluate the effectiveness of telehealth and how to implement it on a larger scale.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2891 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2043 Commerce, Consumer Protection, and Health on S.B. No. 2082

The purpose and intent of this measure is to:

- (1) Limit liability for volunteers who maintain or repair cemetery grounds; and
- (2) Require the Director of Commerce and Consumer Affairs, in consultation with the Comptroller, to develop strategies for the upkeep, repair, and maintenance of Sunset Memorial Park in Pearl City, Oahu, and report to the Legislature.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Department of Accounting and General Services, Pearl City Neighborhood Board, and two individuals. Your Committee received testimony in opposition to this measure from the Hawaii Association for Justice.

Your Committee finds that Sunset Memorial Park in Pearl City, Oahu, has been neglected for years and has been the subject of numerous complaints from family members who have loved ones buried at the cemetery. Most of these complaints relate to issues surrounding the management and lack of maintenance at Sunset Memorial Park, which has been described as having a damaged mausoleum, sinking graves, and broken, missing, or obscured grave markers that are hidden by overgrown vegetation. Your Committee further finds the number of families visiting the graves of their loved ones at Sunset Memorial Park has dwindled, largely because of the natural aging process of surviving family members and the unsafe conditions at the cemetery. Although family members and volunteers have expressed a strong willingness to assist with the upkeep, repair, and maintenance of Sunset Memorial Park, many are concerned about potential liability issues. This measure therefore creates a special cemetery volunteer protection law, which is intended to encourage volunteers to maintain and repair Sunset Memorial Park, without fear of liability resulting from their charitable activities.

Your Committee has amended this measure by:

- (1) Clarifying that the limited liability for volunteers pertains only to those volunteers who maintain or repair cemetery grounds without compensation;
- (2) Clarifying that the limited liability for volunteers does not relieve a cemetery property owner or cemetery authority from the duty to maintain their premises in a reasonably safe condition; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2082, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2082, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 2044 Commerce, Consumer Protection, and Health on S.B. No. 2010

The purpose and intent of this measure is to appropriate funds to provide drug treatment for drug abusers, and combat opioid and methamphetamine abuse.

Your Committee received testimony in support of this measure from the Department of Health, Drug Policy Forum of Hawaii, Hawaii Substance Abuse Coalition, Coalition for a Drug-Free Hawaii, Beacon of Hope House, Ho'omanapono Political Action Committee, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and eight individuals.

Your Committee finds that addiction to and abuse of various types of drugs are growing problems in Hawaii. Testimony received by your Committee indicates that substance use disorders encompass a wide variety of substances besides opioids, and that treatment admission data from 2010 to 2016 underscores the need for a coordinated and comprehensive approach to addiction in the State. Your Committee further finds that drug treatment is a cost-effective way to manage drug abuse and control the source of the problem, and thereby save on costs for law enforcement, crime, corrections, and homelessness.

Your Committee has heard the concerns of the Hawaii Substance Abuse Coalition, who indicated that some treatment programs may turn away potential clients because the programs are designed or funded to treat only specific kinds of addiction, whereas the potential client suffers from more than one kind of addiction.

Your Committee finds that amendments to this measure are appropriate to allow polydrug abusers to avail themselves of the treatment provided for by this measure.

Accordingly, your Committee has amended this measure by:

- (1) Including the provision of treatment for polydrug abuse as an authorized use of the funds appropriated; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2010, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2010, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2045 Commerce, Consumer Protection, and Health on S.B. No. 2340

The purpose and intent of this measure is to ensure certain benefits under the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act) are preserved under Hawaii law, including:

- (1) Extending dependent coverage for adult children up to twenty-six years of age;
- (2) Prohibiting health insurance entities from imposing a preexisting condition exclusion; and
- (3) Prohibiting health insurance entities from using an individual's gender to determine premiums or contributions.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs; Hawaii State Commission on the Status of Women; Special Education Advisory Council; The Sex Abuse Treatment Center; The Queen's Health Systems; Hawaii Medical Association; Hawaii Medical Service Association; Hawai'i Public Health Institute; Hawai'i State Democratic Women's Caucus; American College of Obstetricians and Gynecologists, Hawaii Section; League of Women Voters Hawaii; Planned Parenthood Votes Northwest and Hawaii; Oahu County Committee on Legislative Priorities, Democratic Party of Hawaii; IMUAlliance; YWCA O'ahu; Hawai'i Appleseed Center for Law and Economic Justice; Healthy Mothers Healthy Babies; Hawaii Children's Action Network; and fifty-four individuals. Your Committee received comments on this measure from Kaiser Permanente Hawai'i.

Your Committee finds that the Affordable Care Act has resulted in an estimated 20,000,000 Americans gaining health insurance coverage, while nationwide, the rate of uninsured Americans has decreased by nearly forty percent or more for every income group. According to testimony received by your Committee, the dependent coverage requirement under the Affordable Care Act has resulted in a lower number of uninsured young adults throughout the country and has been associated with a decline in the percentage of young adults reporting delays in medical care due to cost, an increase in young adults reporting excellent mental and physical health, and a reduction in the number of young adults with large out-of-pocket medical expenditures.

Your Committee further finds that the Affordable Care Act has expanded coverage and improved medical care and health among low-income adults and established important protections for all Americans, but in particular women and individuals with pre-existing conditions. Your Committee notes that prior to the passage of the Affordable Care Act, insurers were able to deny coverage for medical histories that were unique to or disproportionately affected women, including past cesarean delivery, previous pregnancies, and being a victim of domestic violence.

Your Committee notes that the future of the Affordable Care Act remains uncertain. This measure therefore ensures that certain benefits established by the Affordable Care Act, including extending dependent coverage for adult children up to twenty-six years of age, preventing denial of coverage for preexisting conditions, and prohibiting health insurance entities from using a person's gender when determining premiums or contributions, will remain available for Hawaii residents.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2340, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2340, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 2046 Agriculture and Environment on S.B. No. 2498

The purpose and intent of this measure is to prohibit the sale of and serving of prepared food using polystyrene foam containers statewide.

Your Committee received testimony in support of this measure from the Kona Brewing Company; Surfrider Foundation; Surfrider Foundation Oahu Chapter; Friends of Hanauma Bay; Kauai Paramedics Association; Americans for Democratic Action Hawaii; Zero Waste Kauai; Kauai Lions Club; B-Rad Foundation; Kauai Surfrider; Progressive Democrats of Hawaii; One Ocean; Graduate Student Organization; Kokua Hawaii Foundation; Hawaiian Civic Club of Honolulu; Gentlewave Bodywork Referral, Inc.; Kauai National Wildlife Refuge; Environmental Caucus of the Democratic Party of Hawai'i; Hale Honu; Young Progressives Demanding Action; Kokua Hawaii Foundation; Keiko Conservation International; Sierra Club of Hawai'i; For Forgotten Felines; Animal Rights Hawai'i; Beach Environmental Awareness Campaign Hawai'i; and fifty-three individuals. Your Committee received testimony in opposition to this measure from the American Chemistry Council; Chamber of Commerce Hawaii; Hawaii Food Industry Association; Retail Merchants of Hawaii; Hawaii Restaurant Association; KYD, Inc. dba: K. Yamada Distributors; and a petition containing three hundred sixty-eight signatures.

Your Committee finds that many food service businesses in Hawaii use polystyrene foam containers for food that is taken out by customers. Polystyrene foam is made from thermoplastic petrochemical materials containing styrene and may leach styrene into food that comes into contact with the containers, posing potential health hazards for people eating food carried in these containers. Your Committee also finds that polystyrene foam containers do not biodegrade and, because of their expanded size, take up significant space in landfills. Your Committee finds that this measure is another way to create state policy to lessen the negative impacts of plastics on the environment.

Your Committee has amended this measure by:

- (1) Changing the effective date to January 1, 2019, to allow time for those affected by this measure to prepare for implementation; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2498, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2498, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Nishihara, Riviere).

SCRep. 2047 Agriculture and Environment on S.B. No. 3031

The purpose and intent of this measure is to clarify and strengthen the organic foods production tax credit.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawai'i Farm Bureau, and Hawaii Farmers Union United. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the Legislature passed Act 258, Session Laws of Hawaii 2016, codified as section 235-110.94, Hawaii Revised Statutes, which established the organic foods production tax credit for farmers, ranchers, and producers seeking to obtain organic certification as an effort to reduce the burden on emerging small farmers seeking costly, but necessary, certifications and inspections promoting the production of locally grown food. The federal Organic Foods Production Act also provides exemptions for certain small farmers of organic products to reduce their operation costs. This measure further assists small farmers by clarifying and strengthening the organic foods production tax credit.

Your Committee has amended this measure by:

- (1) Inserting language to specify the determination of pro rata basis for allocation of the tax credit;
- (2) Repealing language that allowed the Board of Agriculture to assess and collect a fee to offset the costs of certifying tax credit claims; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3031, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3031, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2048 Agriculture and Environment on S.B. No. 2572

The purpose and intent of this measure is to appropriate funds:

- (1) To establish an annual import substitution grant program to encourage Hawaii farmers and growers to identify and grow food and nonfood alternative products to phase out imports of high-risk pathway food and commodities by 2027; and
- (2) For outreach materials to encourage Hawaii residents to buy local products and foster a sense of pride and self-responsibility in protecting Hawaii's agriculture, environment, and lifestyle.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawaii Floriculture & Nursery Association; Hawaii Cattleman's Council, Inc.; Hawai'i Farm Bureau; and Hawaii Farmers Union United.

Your Committee finds that import substitution projects assist farmers in improved decision-making on what food and non-food import replacement products to grow, based on the potential food and non-food item's cost of production, disease and pest vector risk, and agronomic information. Your Committee further finds that the Department of Agriculture already has a number of import substitution projects in place; therefore, establishment of a new grant program is not necessary at this time. Your Committee further finds that the existing Department of Agriculture buy local program is effective and efficient; therefore, contracting with a professional public relations firm is not necessary.

Your Committee has amended this measure by:

- (1) Appropriating funds for the Department of Agriculture to conduct import substitution projects, rather than establish an annual import substitution grant program; and
- (2) Deleting language that appropriated funds for the Department of Agriculture to contract with a professional public relations firm.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2572, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2572, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Nishihara, Riviere).

SCRep. 2049 Agriculture and Environment on S.B. No. 2685

The purpose and intent of this measure is to exempt the gross proceeds of the sale of produce that is intended for human consumption within the State received by any qualified small farmer from the general excise tax until 2022.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawai'i Farm Bureau; and Hawaii Cattlemen's Council, Inc. Your Committee received comments on this measure from the Department of the Attorney General, Department of Taxation, and Tax Foundation of Hawaii.

Your Committee finds that the growth of small, diversified farming businesses adds to and diversifies Hawaii's economy. Your Committee further finds that the creation of an exemption from general excise tax for the gross proceeds of small farmers from the sale of produce will encourage the growth of new, small, and diversified farming businesses, will not significantly affect tax collections by the State, and will improve the long-term economic well-being of the State.

Your Committee has amended this measure by:

- (1) Deleting language that made the tax exemption applicable to produce intended for human consumption only within the State;
- (2) Adding language to the definition of "qualified small farmer" to require that produce be grown on a parcel of land that is classified and zoned as agricultural land by the Land Use Commission and county;
- (3) Applying the measure to gross income or gross proceeds received after December 31, 2018, and before January 1, 2023;
- (4) Changing the repeal date to January 1, 2023; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2685, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2685, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3; Ayes with Reservations (Rhoads). Noes, none. Excused, 2 (Nishihara, Riviere).

SCRep. 2050 Agriculture and Environment on S.B. No. 2568

The purpose and intent of this measure is to appropriate funds to implement the findings and recommendations of the *Pesticide Use by Large Agribusinesses on Kaua'i* report.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawai'i Alliance for Progressive Action; Hawai'i Center for Food Safety; Beyond Organic Consulting, Inc.; We Are One, Inc.; GMO Free Kauai; Citizens4AHealthierMaui; and forty-nine individuals. Your Committee received testimony in opposition to this measure from the Hawai'i Farm Bureau; Hawaii Floriculture & Nursery Association; and Hawaii Cattlemen's Council, Inc. Your Committee received comments on this measure from the Western Plant Health Association and Hawaii Crop Improvement Association.

Your Committee finds that the County of Kauai passed Ordinance 960, relating to pesticides and genetically modified organisms, in 2013, which was overturned in federal court in 2014. The ordinance contained a provision to create a Joint Fact Finding Group to help address key environmental and public health questions related to large-scale commercial agriculture entities using pesticides on the island of Kauai. When the ordinance was struck down by the court, the Department of Agriculture and the Kauai County Office of the Mayor contracted an independent public policy group, The ACCORD 3.0 Network, to facilitate the Joint Fact Finding Group project. The group was charged with gathering accurate information on the lands used by the seed companies and Kauai Coffee, their pesticide usage, and evidence of any possible adverse health and environmental impacts.

Your Committee finds that the study group issued its findings and recommendations on May 25, 2016, in a report titled, *Pesticide Use by Large Agribusinesses on Kaua'i*, and arrived at the following conclusions regarding health and environmental impacts on the west side of Kauai:

- (1) The Kauai health data examined is very limited and does not show a causal relationship between the pesticides used by the seed companies and health problems found on the west side or any other part of Kauai; and
- (2) There needs to be additional data gathering going forward to continue to demonstrate the impacts, if any, of agricultural pesticide use.

The report requests an appropriation of \$3,000,000 to implement numerous recommendations. Your Committee supports a statewide effort to ensure that the people and environment of Hawaii are protected against any possible adverse effects of pesticide use.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2568 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Nishihara, Riviere).

SCRep. 2051 Agriculture and Environment on S.B. No. 2126

The purpose and intent of this measure is to increase the pesticide use revolving fund balance threshold amount in order to allow the Department of Agriculture to have funds available to carry out its mandate in section 149A-13.5, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Health; Department of Agriculture; Hawai'i Farm Bureau; Hawaii Crop Improvement Association; Hawai'i Alliance for Progressive Action; Civic Education Council; Hawaii Floriculture & Nursery Association; Hawai'i Center for Food Safety; Holistic Learning Center of Maui, LLC; Beyond Organic Consulting, Inc.; Americans for Democratic Action Hawaii; We Are One, Inc.; Hawaii Cattlemen's Council, Inc.; GMO Free Kaua'i; and fifty-nine individuals.

Your Committee finds that increasing the cap of the pesticide use revolving fund from \$250,000 to \$1,000,000 will increase the ability of the Department of Agriculture to conduct training and outreach, which are critical to ensuring pesticides are not misused and thereby endangering the health of people and the environment. Your Committee also finds that there has been an increase in demand for the Department of Agriculture to assist in the disposal of pesticides and pesticide containers. This measure will better enable the Department of Agriculture to conduct and coordinate disposal services.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2126 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2052 Agriculture and Environment on S.B. No. 2569

The purpose and intent of this measure is to expand the membership and duties of the Pesticide Advisory Committee in accordance with the recommendations of the *Pesticide Use by Large Agribusinesses on Kaua'i* report.

Your Committee received testimony in support of this measure from the Department of Education; Hawai'i Alliance for Progressive Action; Holistic Learning Center of Maui, LLC; Civic Education Council; Hawaiian Civic Club of Honolulu; Hawai'i Center for Food Safety; Beyond Organic Consulting, Inc.; We Are One, Inc.; GMO Free Kauai; Citizens4AHealthierMaui; and seventy-one individuals. Your Committee received testimony in opposition to this measure from the Department of Agriculture; Hawai'i Farm Bureau; Hawaii Crop Improvement Association; Western Plant Health Association; Hawaii Floriculture & Nursery Association; and Hawaii Cattlemen's Council, Inc.

Your Committee finds that Ordinance 960, passed by the County of Kauai in 2013 relating to pesticides and genetically modified organisms, which was overturned in federal court in 2014, contained a provision to create a Joint Fact Finding Group (JFFG) to help address key environmental and public health questions related to large-scale commercial agriculture entities using pesticides and genetically modified organisms on Kauai. When the ordinance was struck down by the court, the Department of Agriculture and the Kauai County Office of the Mayor contracted an independent public policy group, ACCORD3.0 Network, to facilitate the JFFG project. The JFFG was charged with gathering accurate information on the lands used by the seed companies and Kauai Coffee, their pesticide usage, and evidence of any possible adverse health and environmental impacts.

Your Committee also finds that the JFFG issued its findings and recommendations on May 25, 2016, in a report titled *Pesticide Use by Large Agribusinesses on Kaua'i* (Report) and arrived at the following conclusions regarding health and environmental impacts on the west side of Kauai:

- (1) The Kauai health data examined is very limited and does not show a causal relationship between the pesticides used by the seed companies and health problems found on the west side or any other part of Kauai; and
- (2) There needs to be additional data gathering going forward to continue to demonstrate the impacts, if any, of agricultural pesticide use.

Your Committee further finds that passage of this measure will implement the JFFG's recommendation that the Pesticide Advisory Committee be expanded and its mission broadened to:

- (1) Carefully establish new state standards for "chronicity" to account for low-level continuous and cumulative exposures to pesticides;
- (2) Undertake a major update of Hawaii's pesticide laws and regulations;
- (3) Revise and expand the Good Neighbor Program; and
- (4) Establish a consistent and data-driven buffer zone policy and use "green screens".

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2569 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2053 Agriculture and Environment on S.B. No. 3033

The purpose and intent of this measure is to clarify and strengthen the existing agricultural theft law to allow for the protection of agricultural products raised or produced by all people in the State.

Your Committee received testimony in support of this measure from the Department of Agriculture, Office of the Prosecuting Attorney of the County of Hawaii, Hawaii Floriculture & Nursery Association, Hawai'i Farm Bureau, Ulupono Initiative, Fruit Lovers Nursery, Hawaii Farmers Union United, and one individual.

Your Committee finds that agricultural theft and vandalism are impediments to running a successful and profitable farming operation and are harmful to consumers and residents. Agricultural theft and vandalism are a serious, ongoing problem, with farmers and residents reporting theft of crops, animals, equipment, and tools, and vandalized fences and gates. Your Committee further finds that, as determined recently in a court case, the crime of agricultural theft only includes theft of products maintained by a commercial agricultural enterprise or research agency while owned by the enterprise or agency, which leaves residents who grow agricultural products for their own consumption or to be given as gifts without full legal recourse options if they are the victims of theft. The measure corrects the existing loophole to ensure thieves are prosecuted.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3033 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2054 Agriculture and Environment on S.B. No. 2565

The purpose and intent of this measure is to establish a general excise tax exemption for gross proceeds arising from the sale of farm equipment and machinery to certain producers of agricultural products.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawaii Crop Improvement Association; Hawai'i Farm Bureau; Maui County Farm Bureau; Hawaii Cattlemen's Council, Inc.; Hawaii Aquaculture & Aquaponics Association; Hawaii Farmers Union United; and thirty-four individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that farm equipment and machinery are costly to the average farmer, who typically earns an average of only \$35,000 annually. This measure seeks to provide some financial relief to Hawaii's farmers.

Your Committee has amended this measure by:

- (1) Clarifying that items intended for sale in the ordinary course of business, which are excluded from the definition of "farm equipment and machinery" in this measure, are items purchased for the purpose of resale;
- (2) Making the measure applicable to taxable years beginning after December 31, 2019; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2565, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2565, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Nishihara, Riviere).

SCRep. 2055 Agriculture and Environment on S.B. No. 2533

The purpose and intent of this measure is to exempt from the general excise tax the value or gross income derived from the sale of locally grown food produced and purchased within the State.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawai'i Farm Bureau; Hawaii Cattlemen's Council, Inc.; Hawaii Farmers Union United; and four individuals. Your Committee received comments on this measure from the Department of Taxation; Department of the Attorney General; Tax Foundation of Hawaii; and Hawaii Fisherman's Alliance for Conservation and Tradition, Inc.

Your Committee finds that increased local food production is a top priority of the State to achieve the state goal of sustainability. Your Committee supports all efforts that encourage increased local food production in the State.

Your Committee has amended this measure by:

- (1) Applying the general excise tax exemption to agricultural products, rather than locally grown food produced and purchased within the State; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2533, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2533, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Nishihara, Riviere).

SCRep. 2056 Housing on S.B. No. 2402

The purpose and intent of this measure is to specify that certain provisions of the Internal Revenue Code related to at-risk rules and deductions and to passive activity loss do not apply with respect to claims for the state low-income housing tax credit.

Your Committee received testimony in support of this measure from InState Partners. Your Committee received comments on this measure from the Department of Taxation, Hawaii Housing Finance and Development Corporation, and Tax Foundation of Hawaii.

Your Committee finds that under existing law, the state low-income housing tax credit is difficult to use for Hawaii taxpayers other than large corporations or financial institutions. As a result, this lowers the demand and equity that can be generated for each dollar of this tax credit that is issued.

Your Committee further finds that Act 129, Session Laws of Hawaii 2016, addressed an aspect of this issue by accelerating the low-income housing tax credit from ten to five years. This acceleration makes the tax credit available to smaller taxpayers who are better able to forecast their income tax liability over a five-year, rather than ten-year, span. This measure builds on the incentives provided under Act 129, Session Laws of Hawaii 2016, by eliminating the applicability of the at-risk and passive activity loss rules to the low-income housing tax credit. This will allow affordable rental housing developers to decouple the tax credit from an ownership share in affordable rental projects being financed, thereby allowing any Hawaii taxpayer with income tax liability to use the low-income housing tax credit.

Your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2759 (Regular Session of 2018), a substantially similar measure, which also eliminates the applicability of the at-risk and passive activity loss rules to the low-income housing tax credit, but makes this elimination subject to repeal when section 235-110.8, Hawaii Revised Statutes, is reenacted on December 31, 2021, pursuant to section 4 of Act 129, Session Laws of Hawaii 2016; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2402, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2402, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2057 Housing on S.B. No. 2416

The purpose and intent of this measure is to:

- (1) Increase the conveyance rates for certain conveyance tax categories; and
- (2) Repeal the statutory monetary cap on the disposition of conveyance taxes dedicated for deposit into the rental housing revolving fund for the financing of affordable rental housing developments.

Your Committee received testimony in support of this measure from the League of Women Voters of Hawaii, Americans for Democratic Action Hawai'i, IMUAlliance, Hawaii Habitat for Humanity Association, and two individuals. Your Committee received testimony in opposition to this measure from the Hawai'i Association of REALTORS. Your Committee received comments on this measure from the Department of Taxation, Hawaii Housing Finance and Development Corporation, and Tax Foundation of Hawaii.

Your Committee finds that existing law dedicates a certain percentage or monetary amount of the conveyance taxes collected, whichever is lesser, for deposit into the rental housing revolving fund. Monies in this fund are used to provide loans or grants for the development, pre-development, construction, acquisition, preservation, and substantial rehabilitation of rental housing units. By increasing certain conveyance tax rates and repealing the statutory monetary cap on the disposition of conveyance tax dedicated for deposit into the rental housing revolving fund, this measure allocates additional monies for rental housing finance and development in the State.

Your Committee has amended this measure by:

- (1) Changing the effective date from July 1, 2018, to January 1, 2019, to allow sufficient time for the Department of Taxation to update the relevant forms and instructions to implement the conveyance tax rate changes under certain categories; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2416, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2416, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2058 Housing on S.B. No. 2595

The purpose and intent of this measure is to establish an income tax credit for qualified expenses incurred for the construction or renovation of residential housing or a bed and breakfast that complies with certain accessibility, or visitability, standards.

Your Committee received testimony in support of this measure from the College of Education's Center on Disability Studies at the University of Hawaii at Manoa, and Hawaii Disability Rights Center. Your Committee received comments on this measure from the Department of Taxation, Hawaii Housing Finance and Development Corporation, and Tax Foundation of Hawaii.

Your Committee finds that as Hawaii's population ages, there is an increased need to provide housing with accessibility and community integration for individuals with mobility impairments. By providing tax incentives for the construction or renovation of housing that meets visitability standards, this measure will assist in reducing barriers to aging in place and facilitating multigenerational or accessible living.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of Taxation that:
 - (A) Changes the definition of “housing visitability standards” to include the specific requirements under the definition of “qualified expenses” to establish a fixed standard and avoid ambiguities;
 - (B) Replaces the term “qualified expenses” with “actual costs” and defines actual costs to mean the costs of construction and renovation that are necessary and directly incurred by the taxpayer to meet the housing visitability standards;
 - (C) For a partnership, S corporation, estate, or trust claiming the tax credit, changes the language regarding the distribution and share of credit to be determined the same as under section 704 of the Internal Revenue Code, rather than by rule, to avoid any ambiguity in how the tax credit is distributed for pass-through entities;
 - (D) Changes the amount of the tax credit that may be claimed per taxpayer from one hundred percent of the actual costs to no more than seventy-five percent of the actual costs, for the purposes of avoiding cost inflation;
 - (E) Inserts language to limit the claiming of the tax credit to a single tax map key to avoid multiple taxpayers from claiming a tax credit for the same actual costs incurred;
 - (F) Inserts language to prohibit a taxpayer from claiming a residential housing visitability standards tax credit and a bed and breakfast visitability standards tax credit for the same actual costs incurred; and
 - (G) Makes the tax credit apply to taxable years beginning after December 31, 2018, rather than December 31, 2017, to allow the Department of Taxation sufficient time to implement the new tax credits; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2595, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2595, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2059 Human Services on S.B. No. 2273

The purpose and intent of this measure is to:

- (1) Require certain persons to immediately report to the family court when there is reason to believe that a child in foster custody has suffered an injury that may arise to a tort claim; and
- (2) Establish procedures for the family court to follow when appointing a master and when authorizing the filing of a tort claim on behalf of an injured child in foster custody.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii and two individuals. Your Committee received comments on this measure from the Judiciary, Department of Human Services, and Department of the Attorney General.

Your Committee finds that the State serves as the legal custodian and representative for a significant number of children in foster care due to the age of those children. Your Committee further finds that if a child in foster care suffers an injury caused by a third party, the State will cover the child’s medical costs. However, that child is unable to obtain legal representation to file a tort claim to seek any additional damages, such as pain and suffering. This measure establishes procedures whereby a potential tort claim may be investigated, a tort claim may be filed on behalf of the injured child, and the child may obtain legal representation.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2273, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2273, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2060 Human Services on S.B. No. 2208

The purpose and intent of this measure is to establish procedural safeguards and equal protection rights of blind parents or prospective blind parents in the context of child welfare, foster care, family law, and adoption.

Your Committee received testimony in support of this measure from the Oahu Intertribal Council and sixteen individuals. Your Committee received testimony in opposition to this measure from the Department of the Attorney General. Your Committee received comments on this measure from the Judiciary, Department of Human Services, and Disability and Communication Access Board.

Your Committee finds that there have been national reports indicating high rates of child removal and loss of parental rights from parents who are deaf or blind. Your Committee further finds that blind individuals often face certain preconceived biases and attitudes throughout their lives, especially during family and dependency law proceedings where custody and visitation are at stake and in public

or private adoption, guardianship, and foster care proceedings. This measure seeks to ensure that individuals who are blind have the same opportunity as individuals who are not blind to serve as parents and care for their children.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2208 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

SCRep. 2061 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2342

The purpose and intent of this measure is to require health insurance policies offered by health insurers, mutual benefit societies, fraternal benefit societies, and health maintenance organizations to include coverage for clinical victim support services for victims of sexual violence and abuse who suffer from mental disorders.

Your Committees received testimony in support of this measure from Kaiser Permanente Hawaii, The Sex Abuse Treatment Center, YWCA of Hawaii, YWCA of Kaua'i, Hawaii State Coalition Against Domestic Violence, Hawaii Children's Action Network, Planned Parenthood Votes Northwest and Hawaii, IMUAlliance, Ho'omanapono Political Action Committee, and seven individuals. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs and Hawaii Medical Service Association.

Your Committees find that, unfortunately, sexual violence and abuse continues to be extremely prevalent. According to the federal Centers for Disease Control and Prevention, an estimated 43.9 percent of women and 23.4 percent of men have experienced forms of sexual violence other than rape within their lifetimes. Trauma from sexual violence and abuse can have significant, lasting impacts on a survivor's mental health, which can interfere with the survivor's functional ability to engage and interact with the world.

Your Committees further find that survivors with mental health conditions caused, in whole or in part, by sexual violence and abuse can require clinical victim support services, a professional intervention delivered by a qualified mental health provider with whom a victim has established a therapeutic relationship. This measure requires insurance coverage for clinical victim support services for victims of sexual violence and abuse, which will ensure that more survivors of sexual violence and abuse receive this particular kind of coordinated, multi-disciplinary care that is medically necessary for some survivors to recover and heal and which can help survivors avoid additional harm and decompensation.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2342, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2342, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chairs on behalf of the Committees.
Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Ruderman).
Human Services: Ayes, 5. Noes, none. Excused, none.

SCRep. 2062 Commerce, Consumer Protection, and Health on S.B. No. 2259

The purpose and intent of this measure is to require Hawaii consumers who are required to receive a summary of rights under section 609 of the federal Fair Credit Reporting Act, to also receive a notice of their rights under Hawaii law to obtain a security freeze on their credit reports.

Your Committee received testimony in support of this measure from Ho'omana Pono, LLC and two individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that recent events involving security breaches of databases containing sensitive identifying information, such as social security numbers and addresses, have shown that repositories of consumers' personal information continue to be at high risk of infiltration by identity thieves. Your Committee notes that the 2017 cybersecurity breach of consumer credit reporting agency Equifax's databases, where criminals exploited an information technology vulnerability and gained access to a trove of personal information, including social security numbers, birth dates, addresses, driver's license numbers, and credit card numbers, potentially impacted 143,000,000 American consumers, including nearly 450,000 Hawaii consumers.

Your Committee further finds that a security freeze, which prohibits a consumer credit reporting agency from releasing a consumer's credit report or any information from the report without the consumer's express authorization, is an effective way for a consumer to protect the consumer's sensitive personal information. This measure helps ensure Hawaii consumers are aware of their rights and the ability to place a security freeze.

Your Committee additionally finds that although some consumers have taken steps to protect their personal information by requesting a security freeze, many consumers have not, due to the costs and inconvenience associated with placing security freezes. According to testimony received by your Committee, a consumer who places, temporarily lifts, and then later removes a security freeze may pay \$45 in fees to the various consumer credit reporting agencies. Such requests must also be made via certified mail. However, as the number of security breaches and cases of identity theft continue to rise, your Committee finds that Hawaii consumers should be able to more conveniently place, lift, or remove security freezes.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying the contents of the notice that must be provided to Hawaii consumers;

- (2) Amending the definition of “security freeze”;
- (3) Deleting the definition of “identity theft”;
- (4) Specifying that a consumer credit reporting agency shall not charge a fee for placing, lifting, or removing a security freeze on a consumer’s credit report or for placing or removing a security freeze on a protected consumer’s credit report or records;
- (5) Clarifying that any consumer, rather than a consumer who has been a victim of identity theft, may place a security freeze on the consumer’s credit report;
- (6) Expanding the methods by which a consumer may request a security freeze;
- (7) Specifying that a consumer credit reporting agency shall remove or temporarily lift a security freeze upon the consumer’s request and shall send written confirmation of the removal within five business days of removing the security freeze;
- (8) Inserting a purpose section; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2259, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2259, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 2063 Commerce, Consumer Protection, and Health on S.B. No. 2199

The purpose and intent of this measure is to authorize the State to submit a state innovation waiver proposal to the federal government and to implement the conditions of the waiver upon approval by the federal government.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Kaiser Permanente Hawaii, and Hawaii Medical Service Association. Your Committee received comments on this measure from one individual.

Your Committee finds that under section 1332 of the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act), a state may apply for a state innovation waiver, which allows the state to implement innovative ways to provide access to quality health care that is at least as comprehensive and affordable as the federal requirements for insurance.

Your Committee further finds that significant uncertainties exist in the individual health insurance markets throughout the country. Recent Congressional actions have eliminated funding of cost sharing reduction payments and the penalty associated with the Affordable Care Act’s individual mandate, which have resulted in further uncertainty about the future of individual health insurance markets.

Your Committee notes that reinsurance programs in conjunction with section 1332 innovation waivers have been established in other states as a method to help mitigate premium increases and increase stability in those states’ individual health insurance markets. These waivers also provide for pass-through funding from the federal government, based on savings the states’ reinsurance programs create. This measure therefore authorizes the State to submit a state innovation waiver proposal to the federal government and implement the conditions of the waiver upon its approval, which is necessary to allow the State to pursue a similar opportunity for Hawaii’s individual health insurance market.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2199 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 2064 Commerce, Consumer Protection, and Health on S.B. No. 2664

The purpose and intent of this measure is to codify the State’s commitment to conservation and sustainability by incorporating the United Nations’ Sustainable Development Goal three, good health and well-being, into the State’s environmental policy.

Your Committee received testimony in support of this measure from the Department of Human Services, Department of Agriculture, Department of Transportation, Office of Hawaiian Affairs, Airport Concessionaires Committee, Office of Planning, and one individual. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that a priority of the Senate for the Regular Session of 2018 is to adopt the United Nations’ Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal three, good health and well-being, into state law.

Your Committee finds that this measure will promote public health by incorporating tangible goals into public policy and encouraging state actors to meet those goals.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2664 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2065 Commerce, Consumer Protection, and Health on S.B. No. 2202

The purpose and intent of this measure is to provide an exemption from the general excise tax for certain necessary medical devices, including mobility enhancement equipment, durable medical equipment, prescription drugs, and prosthetic devices, and to expand the definition of prosthetic device as used for purposes of the exemption.

Your Committee received testimony in support of this measure from the Disability and Communications Access Board, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and one individual. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that this measure will benefit individuals with disabilities, especially those on fixed incomes, by providing greater access to necessary medical devices. Your Committee has taken into account the comments from the Department of Taxation on the estimated loss of revenue to the State should this measure be enacted but finds that the benefits provided by this measure for members of a vulnerable population outweigh the fiscal costs.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2202 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2066 Agriculture and Environment on S.B. No. 2564

The purpose and intent of this measure is to provide additional funding for improvements to the Waiahole irrigation system.

Your Committee received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Land Use Research Foundation of Hawaii; Hawai'i Farm Bureau; Hawaii Crop Improvement Association; Local Food Coalition; Hawaiian Civic Club of Honolulu; Hawaii Cattlemen's Council, Inc.; O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i; and one individual.

Your Committee finds that a reliable irrigation system is the lifeline of Hawaii's agricultural industry. To ensure that Hawaii's crops receive a steady and dependable supply of water, sufficient funding is needed to maintain and improve Hawaii's irrigation systems. Your Committee further finds that the Waiahole irrigation system was constructed in 1915 to irrigate thousands of acres of sugarcane. The system collects groundwater from the windward side of Oahu and transports the water via tunnels to the leeward side of Oahu, where it is conveyed through ditches and siphons by gravity flow to supply vital irrigation water to lands between Waipio and Kunia; however, the system is currently in need of efficiency improvements.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2564 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2067 Agriculture and Environment on S.B. No. 2519

The purpose and intent of this measure is to authorize the Agribusiness Development Corporation to enter into contracts with private businesses to remove select municipal solid waste, glass, and food and green waste from the waste stream for use in other business sectors, including agriculture, construction, and energy production.

Your Committee received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Hawaiian Civic Club of Honolulu; Hawaii Cattlemen's Council, Inc.; O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i; and two individuals.

Your Committee finds that as the State's economy continues to grow, it is critical that innovative processes are applied to the recycling sector to reduce the pressure on the State's environment and to capture as much value as possible to support local business sectors. The Agribusiness Development Corporation, in its role of developing agriculture initiatives, is uniquely positioned to implement existing and emerging technology toward the goal of optimizing value from waste streams for agricultural uses. Your Committee finds that reducing solid waste and reusing municipal solid waste, glass, and food and green waste is something all sectors of the government should be championing.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2519 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2068 Agriculture and Environment on S.B. No. 2085

The purpose and intent of this measure is to establish a grant program to be administered by the Agribusiness Development Corporation to provide grants for agriculture-related improvements to existing and emerging farms and agribusiness operations.

Your Committee received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Hawai'i Farm Bureau; Land Use Research Foundation; Ulupono Initiative; Hawaii Cattlemen's Council, Inc.; and O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i.

Your Committee finds that the ability of the Agribusiness Development Corporation to issue grants will provide a means to assist local farming operations, make investments to strengthen and diversify Hawaii's agriculture, attract and retain businesses, and streamline the Corporation's operations. Your Committee further finds that a grant program may help foster partnerships to facilitate agribusiness projects and help grow Hawaii's agriculture industry.

Your Committee has amended this measure by:

- (1) Deleting language that placed an annual cap of \$100,000 on grants received by a qualified person or entity; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2085, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2085, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2069 Agriculture and Environment on S.B. No. 2399

The purpose and intent of this measure is to restructure the Hawaii Invasive Species Council into a new entity, the Hawaii Invasive Species Authority, to be administratively attached to the Department of Agriculture, that will expand upon the existing council model by adding expertise to the Board of Directors, authorizing the Board to hire staff as necessary, and mandating new duties relating to the coordination of the Interagency Biosecurity Plan.

Your Committee received testimony in support of this measure from the Department of Agriculture; Department of Land and Natural Resources; Big Island Invasive Species Committee; Hawai'i Farm Bureau; Sierra Club of Hawai'i; The Nature Conservancy; Coordinating Group on Alien Pest Species; Local Food Coalition; Hawaiian Civic Club of Honolulu; Hawaii Cattlemen's Council, Inc.; Ka Ohana O Na Pua; O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i; and twelve individuals.

Your Committee finds that the invasion of Hawaii by insects, disease-bearing organisms, snakes, weeds, and other pests is the single greatest threat to Hawaii's economy and natural environment and to the health and lifestyle of Hawaii's people. In 2003, the Legislature created the Hawaii Invasive Species Council, an interagency board mandated to provide policy-level direction and coordination on invasive species issues, co-chaired by the Chairpersons of the Board of Land and Natural Resources and the Board of Agriculture. The authorizing legislation for the council did not create staff positions or a revenue source. Your Committee further finds that despite many successes, mitigation of invasive species threats and impacts often remains fragmented between agencies and is insufficiently supported through interagency data collection and management, public pest reporting, interagency response coordination, and statewide public outreach. Establishing the Hawaii Invasive Species Authority as an attached agency of the Department of Agriculture and enhancing the State's invasive species prevention, early detection, rapid response, control, enforcement, and outreach programs will help protect the environment, human health, culture, and the economy.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2399, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2399, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2070 Higher Education on S.B. No. 3062

The purpose and intent of this measure is to allow taxpayers to deduct contributions to a college savings account up to \$5,000 per year for single and married filing separately taxpayers and \$10,000 per year for married filing jointly taxpayers from the taxpayer's income.

Your Committee received testimony in support of this measure from the Oahu County Legislative Priorities Committee of the Democratic Party of Hawaii and two individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that Section 529 education savings plans are already tax-favored at the state and federal levels. All contributions to Section 529 plans grow tax free and all qualifying withdrawals from those plans are received tax free. Adding another tax benefit to Section 529 plans by making contributions tax deductible when made and then allowing those contributions to grow and be used tax free in the future will help families and students pay for the increasing costs associated with higher education.

Your Committee has amended this measure by:

- (1) Specifying that the deduction allowed by a taxpayer for contributions made to a college savings account shall be from the taxpayer's adjusted gross income;
- (2) Deleting language that would have established an unspecified lifetime cap for the amounts allowable as a deduction for individuals and married individuals having separate college savings accounts; and
- (3) Inserting an effective date of May 12, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3062, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3062, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Chang, Kim).

SCRep. 2071 Education on S.B. No. 2922

The purpose and intent of this measure is to propose amendments to the Constitution of the State of Hawaii to advance the State's goal of providing a quality education for the children of Hawaii by authorizing the Legislature to establish, as provided by law, a surcharge on residential investment property and visitor accommodations.

Your Committee received testimony in support of this measure from the Department of Education; Hawaii State Teacher Association; HE'E Coalition; Young Progressives Demanding Action – Hawaii; Hawai'i Alliance for Progressive Action; Hawaii Children's Action Network; IMUAlliance; Special Education Advisory Council; Americans for Democratic Action, Hawai'i; Hawaii Appleseed Center for Law and Economic Justice; Civic Education Council; HawaiiKidsCAN; and numerous individuals. Your Committee received testimony in opposition to this measure from the Maui County Council Chair Mike White, American Resort Development Association Hawai'i, Rental By Owner Awareness Association, Coalition for Equal Taxation, and two individuals. Your Committee received comments on this measure from the City and County of Honolulu and Tax Foundation of Hawaii.

Your Committee finds that Hawaii's public schools are severely underfunded. At \$12,855 per child, Hawaii trails mainland school districts of similar size when adjusting for cost of living. This lack of adequate funding has resulted in an inability to repair and renovate deteriorating facilities, higher class sizes, a lack of adequate classroom supplies, elimination of arts and career and technical education courses, budget cuts for special education and English language learner programs, and an increasing number of vacant teacher positions statewide.

Your Committee further finds that Hawaii is the only state that does not fund education through property taxes. A surcharge on investment properties and visitor accommodations will provide much needed funding for the State's public schools and will bring Hawaii's education funding policy closer to the funding enjoyed by school districts in other states and with a similar size of enrollment. This measure gives Hawaii's citizens the opportunity to vote on whether to amend the Constitution of the State of Hawaii to facilitate that surcharge.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2922 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Kim).

SCRep. 2072 Agriculture and Environment on S.B. No. 2574

The purpose and intent of this measure is to authorize the issuance of general obligation bonds for a biological control containment facility on Oahu.

Your Committee received testimony in support of this measure from the Department of Agriculture; Department of Land and Natural Resources; Hawaii Cattlemen's Council, Inc.; and O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i.

Your Committee finds that biological control, the process of reuniting an invasive species in Hawaii with a carefully tested and narrowly targeted pest from the invasive species' native range, is one of the most cost-effective and safe methods for controlling invasive species in Hawaii. The Hawaii Interagency Biosecurity Plan places investing in biological control research as a high priority; however, the pathogen containment facility for biological control research at the Department of Agriculture has been non-operational for several years. Your Committee finds that the Department of Agriculture needs a state-of-the-art biological control facility to meet safety standards and tackle invasive species that are causing havoc to Hawaii's native species and agricultural endeavors.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2574 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2073 Agriculture and Environment on S.B. No. 2846

The purpose and intent of this measure is to:

- (1) Transfer operational authority over the portions of the East Kauai Irrigation System operated and maintained by the East Kauai Water Users' Cooperative as of July 1, 2018, to the Department of Agriculture upon adoption of rules;
- (2) Establish and fund positions within the Agricultural Resource Management Division; and
- (3) Authorize the issuance of general obligation bonds to the Agricultural Resource Management Division to increase state irrigation system capacity statewide.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawai'i Farm Bureau; Tropical Flowers Express; Hartung Brothers Hawaii; Saiva Siddhanta Church; East Kauai Water Users' Cooperative; Kalepa Coalition; Hawaii Cattlemen's Council, Inc.; O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i; and one individual.

Your Committee finds that the East Kauai Irrigation System services more than 12,500 acres of agricultural land on Kauai. The system includes two reservoirs and twenty-two miles of ditch and has historically serviced thousands of acres of state and private lands. In particular, it services more than 1,000 acres of the state Kalepa lands located between Kapaa and Lihue. In the last few

years, through the action of the Agribusiness Development Corporation, nearly 300 acres have been leased to farmers who are actively developing crops, including ginger and sweet potatoes. Your Committee further finds that the repair and maintenance of this irrigation system is critical for Kauai's farmers, who depend on the East Kauai Irrigation System for their operations. The East Kauai Water Users' Cooperative no longer has the resources necessary to sustain the East Kauai Irrigation System in the years to come, therefore transfer of this system to the Department of Agriculture will ensure future water availability for farmers.

Your Committee has amended this measure by:

- (1) Clarifying that the portions of the East Kauai Irrigation System operated and maintained by the East Kauai Water Users' Cooperative as of July 1, 2018, will be under the operational authority of the Department of Agriculture until the adoption of rules is complete or a determination is made that the system can be appropriately operated and maintained pursuant to chapters 167 and 168, Hawaii Revised Statutes;
- (2) Clarifying that the system will not be governed by chapters 167 and 168, Hawaii Revised Statutes, until it is transferred to the appropriate program; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2846, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2846, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2074 Agriculture and Environment on S.B. No. 3087

The purpose and intent of this measure is to appropriate funds to the Agribusiness Development Corporation to:

- (1) Identify factors that affect the quality of local papayas; and
- (2) Develop and establish protocols to enhance the marketability of the Hawaiian solo papaya.

Your Committee received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Office of the Mayor of the County of Hawai'i; Hawai'i Farm Bureau; and Cattlemen's Council, Inc.

Your Committee finds that Hawaiian papaya is delicious; however, the quality of local papaya needs improvement to flourish as an export. While the flavor and texture of local papaya are highly desired, transportation of the product, treatment for fruit fly control, handling, shipping, and storage of the product prior to distribution, and shelf life need to be improved to enable export of papaya in high quantities. Your Committee further finds that developing and establishing protocols to enhance the marketability of the Hawaiian papaya can help grow the market.

Your Committee has amended this measure by replacing all references to "the Hawaiian solo papaya" with references to "Hawaiian papayas" to clarify that this measure applies to all Hawaiian papayas.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3087, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3087, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2075 (Joint) Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2168

The purpose and intent of this measure is to provide funds to the counties for the identification and mapping of important agricultural lands, as part of the implementation of Act 183, Session Laws of Hawaii 2005.

Your Committees received testimony in support of this measure from the Department of Agriculture; Department of Business, Economic Development, and Tourism; Office of Planning; State Land Use Commission; Hawai'i State Association of Counties; Councilmember Yuki Lei Sugimura of the Maui County Council; Hawai'i Farm Bureau; Ulupono Initiative; Hawaiian Civic Club of Honolulu; O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i; Hawaii Cattlemen's Council, Inc.; and one individual.

Your Committees find that the proposed measure offers appropriate incentives for counties to complete their important agricultural lands identification and mapping process. Your Committees recognize the significant public involvement and coordination with various stakeholders and groups necessary to complete the process, and support providing adequate funding for a quality end product. Your Committees further find that this measure will aid the completion of the county mapping process in preparation for the subsequent designation of important agricultural lands by the Land Use Commission, and allow the owners and farmers of these lands to have access to the important agricultural land incentives in support of agricultural production.

Your Committees received testimony stating that the County of Kauai has already completed its mapping studies and the City and County of Honolulu is nearing completion of its identification and mapping. Accordingly, your Committees recommend that as this measure moves through the legislative process, your Committee on Ways and Means consider the Office of Planning's question of whether grants-in-aid to the County of Kauai and the City and County of Honolulu may be used for reimbursement of work that has already been completed.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2168 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 5. Noes, none. Excused, none.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 2076 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2798

The purpose and intent of this measure is to create a special fund for the administration of the Medicaid Section 1915(c) Home and Community-Based Services Waiver for People with Intellectual and Developmental Disabilities, operated by the Department of Health.

Your Committees received testimony in support of this measure from the Department of Health and two individuals.

Your Committees find that the Developmental Disabilities Division of the Department of Health operates the Section 1915(c) Home and Community-Based Services Waiver for People with Intellectual and Developmental Disabilities and may claim allowable Medicaid federal payments for costs incurred in administering the waiver. This practice is known as administrative claiming and has become increasingly important in defraying the costs of administering Medicaid programs.

Your Committees received testimony indicating that the anticipated amount of administrative claiming beginning in fiscal year 2018-2019 is in the range of \$700,000 to \$1,200,000. However, the lack of a special fund in which to deposit administrative claims has impeded the Department of Health's ability to efficiently administer the waiver. Your Committees find that this measure is necessary to allow the Department of Health to properly and efficiently administer the waiver and continue serving the persons with intellectual and disabilities who receive services through the program.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2798, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2798, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Ruderman).

Human Services: Ayes, 5. Noes, none. Excused, none.

SCRep. 2077 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2588

The purpose and intent of this measure is to appropriate funds to the Department of Health for the kupuna care program, which provides caregiving services to the vulnerable elderly.

Your Committees received testimony in support of this measure from Hawaii Pacific Health; United Public Workers, AFSCME, Local 646, AFL-CIO; ILWU Local 142; AARP Hawaii; Healthcare Association of Hawaii; Hawaii Chapter of the American Physical Therapy Association; PHOCUSED; Catholic Charities Hawaii; and eighteen individuals. Your Committees received comments on this measure from the Department of Health Executive Office on Aging.

Your Committees find that Hawaii's population over the age of sixty is rapidly increasing and is projected to comprise 29.7 percent of the total population by 2035. The increase in Hawaii's elderly population and the concomitant increase in demand for services, particularly for those desiring to age in place, will require continued support for programs like the kupuna care program. Your Committees further find that the kupuna care program supports the independence of Hawaii's kupuna by providing a continuum of home and community-based supports to enable kupuna to perform basic activities of daily living and successfully age in place.

Your Committees find that the funds appropriated by this measure will allow the kupuna care program to continue to provide comprehensive, participant-directed care to an increasing, and increasingly vulnerable, population.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2588 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

Human Services: Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2078 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2589

The purpose and intent of this measure is to appropriate funds to the Department of Health for the aging and disability resource center, which will improve access to services for the aging and disabled communities.

Your Committees received testimony in support of this measure from Hawaii Pacific Health, AARP Hawaii, ILWU Local 142, Healthcare Association of Hawaii, Catholic Charities Hawaii, PHOCUSED, and four individuals. Your Committees received comments on this measure from the Department of Health Executive Office on Aging.

Your Committees find that the funds appropriated by this measure will allow the aging and disability resource center to continue to serve as an effective single point of entry for individuals seeking information about long-term care options and provide support for county area agencies on aging.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2589 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

Human Services: Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2079 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2593

The purpose and intent of this measure is to appropriate funds for the healthy aging partnership program to further the program's role in improving the health and well-being of Hawaii's kupuna.

Your Committees received testimony in support of this measure from Hawaii Pacific Health, AARP Hawaii, ILWU Local 142, Hawaii Chapter of the American Physical Therapy Association, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and five individuals. Your Committees received comments on this measure from the Department of Health Executive Office on Aging.

Your Committees find that this measure provides critical funding for the healthy aging partnership program, an award-winning program that empowers kupuna to make healthy decisions and engage in healthier lifestyles. Your Committees further find that continued implementation of the healthy aging partnership program will help the State accomplish the first goal in the Hawaii State Plan on Aging and provide a better quality of life for the elderly.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2593 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

Human Services: Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2080 Judiciary on S.B. No. 2044

The purpose and intent of this measure is to propose an amendment to the Constitution of the State of Hawaii providing that if there are no members belonging to a minority party in a house of the Legislature, the presiding officer of the respective house of the Legislature, after consulting with the chair of a minority party, shall be given the authority to designate persons who are members of a minority party to serve on the Reapportionment Commission.

Your Committee received testimony in support of this measure from Common Cause Hawaii and two individuals. Your Committee received comments on this measure from the League of Women Voters of Hawaii.

Your Committee finds that fair and equitable reapportionment of legislative districts is vital to avoid gerrymandering and best reflect the political affiliations and representative interests of Hawaii's citizens. Article IV, section 2, of the Constitution of the State of Hawaii requires equitable representation by the minority party on the Reapportionment Commission, but does not address a situation in which all members of a house of the Legislature belong to the same party. Your Committee further finds that allowing the chairperson of the minority party to nominate three persons to the presiding officer of a house of the Legislature in which there are no minority party members, and then directing the presiding officer to select two members of the Reapportionment Commission from the three persons nominated, will allow the minority party chairperson and the legislative leaders balanced discretion.

Your Committee has amended this measure by replacing language authorizing the presiding officer of a house of the respective house of the Legislature to designate persons who are members of a minority party to serve on the Reapportionment Commission after consulting with the chairperson of the minority party with language providing for the chairperson of the minority party to nominate three persons to the presiding officer of each house of the Legislature, who shall then select two members of the Reapportionment Commission from the three persons nominated.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2044, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2044, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2081 Judiciary on S.B. No. 2345

The purpose and intent of this measure is to:

- (1) Establish a Sexual Assault Response Team to address the manner in which sexual assault evidence collection kits are processed and tracked, and to ensure that victims of sexual assault are informed of their rights under the law;
- (2) Require annual reports from the Sexual Assault Response Team to the Department of the Attorney General on the status of sexual assault evidence kits and an annual summary of reports by the Department of the Attorney General to the Legislature; and
- (3) Appropriate monies to fund the Sexual Assault Response Team.

Your Committee received testimony in support of this measure from Planned Parenthood Votes Northwest and Hawaii, American Association of University Women of Hawaii, Joyful Heart Foundation, and six individuals. Your Committee received comments on

this measure from the Department of the Attorney General, Department of the Prosecuting Attorney of the City and County of Honolulu, Honolulu Police Department, and Sex Abuse Treatment Center.

Your Committee finds that sexual assault evidence kits are valuable to the effective prosecution of crimes of sexual violence. A backlog of untested sexual assault evidence kits still exists in Hawaii. An effective and consistent set of policies describing the methodology and timeline of processing sexual assault evidence kits will enhance public safety by protecting sexual assault survivors, exonerating the innocent, and holding offenders accountable.

Your Committee has heard the testimony of the Department of the Attorney General and other parties proposing amendments to this measure. Your Committee is concerned that these amendments are too sweeping, and instead encourages the Department of the Attorney General and other parties to continue to discuss these issues as this measure moves through the legislative process.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2345, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2345, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2082 Judiciary on S.B. No. 2346

The purpose and intent of this measure is to establish an address confidentiality program to help survivors of domestic abuse, sexual assault, and stalking to relocate and keep the location of their physical address confidential.

Your Committee received testimony in support of this measure from the Hawai'i State Democratic Women's Caucus, Hawaii State Coalition Against Domestic Violence, Hawaii Women Lawyers, American Association of University Women of Hawaii, Sex Abuse Treatment Center, Domestic Violence Action Center, Planned Parenthood Votes Northwest and Hawaii, Parents and Children Together, and eleven individuals. Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that survivors of domestic abuse, sexual offenses, or stalking may move to a new address in order to prevent being found by an assailant or potential assailant, but moving to a new address only provides protection if the assailant or potential assailant does not discover the new address. Maintaining the confidentiality of a new address is especially difficult in a location such as an island where space is limited. Each time a survivor is forced to provide an address for public agencies, employment, or court documents, the risk that the address will be discovered by an assailant or potential assailant increases. An address confidentiality program will provide protection and additional safety for survivors of domestic abuse, sexual offenses, or stalking.

Your Committee has amended this measure by authorizing the Department of Taxation to require that a program participant provide an actual address if that address is necessary for the assessment of taxes; provided that the substitute address is used as a mailing address and the actual address remains confidential.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2346, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2346, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2083 Judiciary on S.B. No. 2735

The purpose and intent of this measure is to:

- (1) Establish the Office of Information Practices' Director's term for six years and thereafter until a successor is appointed; and
- (2) Set the salary of the director equivalent to the salary of the Director of Health.

Your Committee received testimony in support of this measure from the Office of Information Practices, Office of the Ombudsman, and two individuals. Your Committee received testimony in opposition to this measure from the Civil Beat Law Center for the Public Interest.

Your Committee finds that the terms of service and salaries of most state agency directing officers are fixed by statute. In contrast, the Director of the Office of Information Practices is appointed by the Governor and the Director's salary is set by the Governor. Fixing the Director's term of service and salary by statute will increase the independence of the Director and make the Office of Information Practices more consistent with other state agencies.

Your Committee does not assume that the current Director of the Office of Information Practices will be nominated after the enactment of this measure.

Your Committee has amended this measure by:

- (1) Changing the Office of Information Practices' Director's salary to be the same as the salary of a tier-one deputy department director as recommended by the Commission on Salaries;
- (2) Inserting an effective date of July 1, 2035, to encourage further discussion; and

- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2735, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2735, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2084 Judiciary on S.B. No. 2740

The purpose and intent of this measure is to make general fund and state highway fund appropriations to satisfy several settlement claims against the State, its officers, or its employees.

Your Committee received testimony in support of this measure from the Department of the Attorney General.

Your Committee finds that this measure requests a total of \$870,000 in appropriations from the general fund to satisfy six claims against the State and a total of \$89,312.84 in appropriations from the state highway fund to satisfy two claims against the State. The grand total for the eight claims settled in this measure as received by your Committee is \$959,312.84. Timely passage of this measure will minimize the State's obligation to pay interest on those amounts.

Your Committee notes the written testimony submitted by the Department of the Attorney General, which requests the addition of one new claim that has been resolved since this measure was introduced. The addition of this new claim results in a total of \$1,389,312.84 in appropriations needed from the state highway fund. As this measure moves through the legislative process, your Committee encourages further discussion and explanation of claims in testimony so that the Legislature may understand why the State in particular is liable for these claims.

Your Committee has amended this measure by:

- (1) Adding state highway fund appropriations for one claim totaling \$1,300,000, as requested by the Department of the Attorney General, which increases the grand total of appropriations in this measure to \$2,259,312.84 in order to satisfy a total of nine claims against the State, its officers, or its employees;
- (2) Correcting the subtotal amount of appropriations from the state highway fund to satisfy claims involving the Department of Transportation, Highways Division, to \$1,389,312.84; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2740, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2740, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2085 Judiciary on S.B. No. 2744

The purpose and intent of this measure is to increase penalties for false claims to the State to maintain consistency with the federal False Claims Act and to comply with the federal Civil Penalties Inflation Adjustment Act of 1990.

Your Committee received testimony in support of this measure from the Department of the Attorney General and one individual.

Your Committee finds that the existing penalty for false claims to the State in Hawaii is inconsistent with related provisions of federal law. Under federal law, Hawaii is entitled to an additional ten percent share of shared damages in parallel state and federal False Claims Act cases; particularly cases involving fraud perpetrated against government medical assistance programs. Hawaii is presently operating under a waiver from the federal government that entitles the State to the additional ten percent of shared damages even though Hawaii's false claims to the State law is not consistent with related provisions of federal law, but this waiver will expire on December 31, 2018. Updating the State's false claims against the State law prior to the waiver's expiration will ensure that Hawaii continues to be entitled to the State's full share of shared damages in Federal False Claims Act cases.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2744, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2744, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2086 (Joint) Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2017

The purpose and intent of this measure is to require climate vulnerability assessments for permit applications filed on or after January 1, 2020, to construct, modify, relocate, or operate any regulated air pollutant source, in order to further the State's commitment to the goals of the Paris Climate Agreement.

Your Committees received testimony in support of this measure from the Sierra Club of Hawai'i, Hawaiian Civic Club of Honolulu, O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i, and one individual. Your Committees received

testimony in opposition to this measure from the Department of Health and one individual. Your Committees received comments on this measure from the Department of Transportation.

Your Committees find that climate change is a major threat to the economy, environment, and overall well-being of the State. Your Committees further find that this measure furthers the Legislature's commitments made in Act 32, Session Laws of Hawaii 2017, to reduce greenhouse gas emissions and support the provisions of the Paris Climate Agreement.

Your Committees have amended this measure by:

- (1) Inserting an effective date of January 1, 2025, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2017, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2017, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 5. Noes, none. Excused, none.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 2087 (Joint) Public Safety, Intergovernmental, and Military Affairs and Agriculture and Environment on S.B. No. 2452

The purpose and intent of this measure is to:

- (1) Grant county agencies the implicit right to enter property, with reasonable notice given, to investigate agricultural buildings and structures for violations of and compliance with building code exemption qualifications; and
- (2) Allow the appropriate department or agency to apply for a warrant from the district court commanding any police officer of the circuit to provide sufficient aid and to assist the department or agency in gaining entry onto a property to investigate exempted agricultural buildings for compliance with the building code exemption qualifications in cases where entry to the property is refused.

Your Committees received testimony in support of this measure from the Department of Agriculture; Hawaii Cattlemen's Council, Inc.; Hawaiian Civic Club of Honolulu; Hawai'i Farm Bureau; and Na Wahine Kunia o Lihue. Your Committees received comments on this measure from the Office of Planning.

Your Committees find that the existence of non-compliant agricultural buildings threatens public health and safety. Existing law establishes specific requirements for agricultural buildings. These requirements exist to ensure appropriate usage in specified areas and to protect the well-being of the public and the land itself. However, your Committees find that there is not a sufficient mechanism in place to allow for the proper inspection of agricultural buildings to ensure that those buildings are in compliance with statutory requirements. This measure addresses the lack of on-site inspection authority of exempted agricultural buildings for appropriate county departments or agencies.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2452 and recommend that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Wakai).

Agriculture and Environment: Ayes, 5; Ayes with Reservations (Ruderman). Noes, none. Excused, none.

SCRep. 2088 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 3089

The purpose and intent of this measure is to allow counties to enact ordinances that require the grantor of real property to include in the certificate or certificates of conveyance a statement regarding whether granted real property that is located within the county may be used for short-term rentals under the county's zoning or land use ordinances.

Your Committee received testimony in support of this measure from the Department of Planning and Permitting for the City and County of Honolulu. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the expansion of short-term rentals into residential areas threatens the safety and security of the public. The use of short-term rentals in areas not zoned for such use is a growing concern in the State. While owners of short-term rentals often operate them in knowing violation of county ordinances, many operators of short-term rentals are not aware that this practice is prohibited in their given area. This measure attempts to make clear the legality of using a property for short-term rentals by allowing the counties to require the grantor of real property to include in the certificate or certificates of conveyance a statement regarding whether the granted property may be used for short-term rentals.

However, your Committee notes the concerns raised by the Tax Foundation of Hawaii regarding the provisions of this measure relating to documentary proof of the short-term rental status of a property. First, the measure allows counties to require self-certification by the grantor of real property regarding the short-term rental status of the subject property. A third party reviewing a self-certification may be unsatisfied and instead insist upon certification from a government authority. Second, the measure calls for the documentation of short-term rental status to be created at the time a property is bought or sold, thereby creating a potential time frame in which ordinances may change before a property owner decides to use the property as a short-term rental. Additionally, if the property is leased rather than sold, a lessee might not even have documentation of the short-term rental status of the property under this measure.

Further, your Committee notes the testimony from the Tax Foundation of Hawaii suggesting that a better way to accomplish the goals of this measure may be to have the counties employ a process similar to the tax clearance process administered by the Department of Taxation. Therefore, your Committee suggests that if your Committee on Ways and Means chooses to hear this measure, your Committee on Ways and Means consider the viability of the counties using the tax clearance process to accomplish the goals of this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3089 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 2089 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 3057

The purpose and intent of this measure is to:

- (1) Expand the authority of counties to use land-based financing to support operating costs for certain county services provided within improvement districts and community facilities districts;
- (2) Allow county maintenance of the capital improvements to be land-based financed; and
- (3) Authorize counties to use up to an unspecified percent of the assessment or tax revenues to cover administrative expenses in creating and administering the improvement district or community facilities district and the associated assessments, fees, and taxes.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that securing the financial strength of the counties is essential to securing the public's interests. However, with tightening budgets, the counties are finding it more difficult to support annual operating costs. Under similar circumstances, other jurisdictions have successfully employed land-based, or land-secured, financing to support their operating costs. Your Committee finds that counties in the State could similarly benefit from an expanded authority to use land-based financing to support operating costs for certain county services and improvements.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3057 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 2090 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2198

The purpose and intent of this measure is to authorize the Director of Finance to issue general obligation bonds to finance the:

- (1) Design and construction of a Kauai Fire Department helicopter hangar; and
- (2) Pua Loke Affordable Housing project in the County of Kauai.

Your Committee received testimony in support of this measure from Kaua'i County Councilmember Arryl Kaneshiro, Kaua'i County Councilmember Ross Kagawa, Kaua'i County Councilmember Arthur Burn, Kaua'i County Councilmember Derek S.K. Kawakami, and Kaua'i County Councilmember Mason K. Chock.

Your Committee finds that investing in capital improvement projects in the counties promotes the public interest. There are two projects in the County of Kauai that require funding. The first is the design and construction of a permanent helicopter hangar facility for the Kauai Fire Department. The second is for the design and construction of multi-family affordable housing with ready access to public transit. Funding these two projects will enhance the county's ability to provide needed services to residents. Accordingly, this measure authorizes the issuance of \$1,000,000 in general obligation bonds for the Kauai Fire Department helicopter hangar and \$1,500,000 in general obligation bonds for the Pua Loke Affordable Housing project.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2198 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 2091 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2815

The purpose and intent of this measure is to:

- (1) Clarify circumstances under which the Hawaii Paroling Authority may grant early discharges to paroled prisoners;
- (2) Provide the Hawaii Paroling Authority with discretion when considering pardons for paroled prisoners; and
- (3) Clarify that early discharge consideration of paroled prisoners is an administrative action.

Your Committee received testimony in support of this measure from the Hawaii Paroling Authority. Your Committee received testimony in opposition to this measure from the Community Alliance On Prisons, Young Progressives Demanding Action, and

Ho'omanapono Political Action Committee. Your Committee received comments on this measure from the Libertarian Party of Hawaii and two individuals.

Your Committee finds that an efficient and effective parole system is essential to the proper functioning of the State's corrections system. Under existing law, the power of the Hawaii Paroling Authority to grant final discharge to paroled prisoners is broad and without clearly defined limits. Consequently, there is a lack of adequate consideration of victims under the existing discharge guidelines. Further, your Committee finds that the efficiency of the Paroling Authority would be greatly enhanced by allowing the Paroling Authority to consider final discharge of prisoners in an administrative action rather than in-person hearings.

Your Committee further finds that this measure clarifies that the Paroling Authority cannot grant parole to those inmates who are serving a portion of a court-ordered mandatory minimum sentence or who owe restitution. Additionally, this measure clarifies that in cases of early discharge of paroled persons, the Paroling Authority can decide the matter in an administrative hearing. Moreover, this measure establishes that the Hawaii Paroling Authority's consideration for a recommendation for a complete pardon of a paroled prisoner is discretionary.

However, your Committee understands that there are individual circumstances where an in-person hearing would better protect the interests of paroled prisoners and the Paroling Authority. Therefore, it is important to provide the Paroling Authority with discretion in deciding whether to consider final discharge of paroled prisoners in administrative actions or through in-person hearings. In addition, it is important to provide those prisoners denied final discharge or full pardon an annual in-person hearing subsequent to their initial denial.

Accordingly, your Committee has amended this measure by:

- (1) Making administrative reviews of considerations for final discharge by the Paroling Authority permissive rather than mandatory; and
- (2) Removing language that would have required the Paroling Authority to conduct subsequent annual reviews for the purposes of considering final discharge as administrative actions.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2815, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2815, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2092 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2614

The purpose and intent of this measure is to extend by one year the deadline for a county to adopt a surcharge on state tax, under certain conditions, from March 31, 2018, to March 31, 2019.

Your Committee received testimony in support of this measure from the Mayor, County of Hawaii; and Hawaii County Councilmember Eileen O'Hara. Your Committee received comments on this measure from the Department of Taxation; Mayor, County of Maui; and Tax Foundation of Hawaii.

Your Committee finds that in recent years, county budgets have tightened and therefore, it is important to provide the counties with every opportunity and reasonable means of generating funds to support important and necessary governmental infrastructure and services. However, your Committee understands the concerns raised in testimony by the Department of Taxation that the Department be given sufficient time to make necessary form and computer changes to begin levying, assessing, collecting, and otherwise administering the county surcharge on state tax should any county adopt an ordinance to establish such a surcharge.

Accordingly, your Committee has amended this measure by changing the date on which the Director of Taxation shall begin levying, assessing, collecting, and otherwise administering the county surcharge on state tax authorized under this measure to January 1, 2020.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2614, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2614, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 2093 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2167

The purpose and intent of this measure is to amend the Sunshine Law to allow certain government records to be shared among public board members where no commitment relating to a vote or additional discussion on the matter is made or sought.

Your Committee received testimony in support of this measure from the Mayor, County of Hawaii; Hawaii State Association of Counties; Maui County Councilmember Robert Carroll; Kaua'i County Councilmember Derek S.K. Kawakami; Maui County Councilmember Yuki Lei Sugimura; and one individual. Your Committee received testimony in opposition to this measure from Common Cause Hawaii. Your Committee received comments on this measure from the Office of Information Practices and The Civil Beat Law Center for the Public Interest.

Your Committee finds that efficiency in public agencies is beneficial to the public welfare. One way to increase efficiency in the work and decision making of the State's public boards is to allow members of boards to share government records that would otherwise require disclosure under the law with other board members. Allowing this type of information sharing, as this measure does,

would save time and lead to better and faster decision making. However, it is important to maintain transparency in government. Therefore, this measure prohibits the sharing of government records that would otherwise need to be disclosed between board members if any related commitment to a vote is made or sought, or if there is any additional discussion between board members beyond a description of the government record being shared.

However, your Committee understands the concerns raised in testimony that this measure does not create sufficient limitations on specific government records and thus has the potential for much broader application and potential abuse. For instance, under this measure, a memorandum or electronic mail written by one board member listing his or her thoughts on an issue would qualify as a government record. This could create a loophole permitting members to privately or serially discuss an issue through memoranda or electronic mail, thereby thwarting transparency.

Your Committee has amended this measure by:

- (1) Replacing its language with language from S.B. No. 478, S.D. 1, H.D. 1 (2017), which allows a member of a county council to provide other members any government record that is open to public inspection under chapter 92F, Hawaii Revised Statutes; provided that:
 - (A) The record was created by a person other than a member or employee of the county council;
 - (B) No additional discussion is added to the record other than a neutral statement to identify the record and the related matter of official business;
 - (C) No commitment relating to a vote on the matter is made or sought;
 - (D) The transmission of government records between county council members occurs during business hours;
 - (E) On the same day the government record is transmitted to other county council members, the transmittal document and government record shall be filed for public inspection in the county council office;
 - (F) The public shall have access to the transmittal document and government records at least twenty-four hours before the county council meets to discuss matters relating to the government records; and
 - (G) The transmittal document and government record filed in the county council office shall, upon request, be electronically transmitted to the requester; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2167, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2167, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 2094 (Joint) Agriculture and Environment and Human Services on S.B. No. 2398

The purpose and intent of this measure is to require the Department of Agriculture to develop and administer a farmers' market matching incentive program promoting the purchase of fruits and vegetables for beneficiaries of the Supplemental Nutrition Assistance Program.

Your Committees received testimony in support of this measure from the Department of Agriculture; Department of Health; Department of Human Services; Office of the Mayor of the County of Hawai'i; Hawai'i Farm Bureau; American Heart Association; Hawaii Public Health Association; The Food Basket Inc., Hawai'i Island's Food Bank; Uluono Initiative; Hawai'i Public Health Institute; Hawai'i Pacific Health; Hawaii Appleseed Center for Law & Economic Justice; Hawaii Farmers Union United Waianae Coast; Waianae Coast Comprehensive Health Center; Health Promotion & Disease Prevention; Kokua Kalih Valley Roots Food Program; Blue Zones Project; O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i; Community First; Blue Zones Project – Koolaupoko; and fifty-five individuals. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that consumption of fresh fruit and vegetables is an integral part of a healthy diet and central to the prevention of obesity and disease. Every community should have adequate access to healthy dietary options; however, the high cost of healthy food often makes this difficult. Your Committees find that this measure provides a mechanism by which low income households can have greater access to high quality fresh fruits and vegetables.

Your Committees have amended this measure by:

- (1) Expanding the incentive program to include other direct food retailers who participate in the Supplemental Nutrition Assistance Program;
- (2) Specifying that the dollar-for-dollar match up to \$20 is per month;
- (3) Renaming the program as the "local health food incentive program"; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2398, as amended herein, and

recommend that it pass Second Reading in the form attached hereto as S.B. No. 2398, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Riviere).

Human Services: Ayes, 3. Noes, none. Excused, 2 (Tokuda, Wakai).

SCRep. 2095 Education on S.B. No. 2510

The purpose and intent of this measure is to establish and appropriate funds for one full-time equivalent (1.00 FTE) world languages institutional support position within the Department of Education.

Your Committee received testimony in support of this measure from the Department of Education; Office of Language Access; He'e Coalition; Hawai'i Association of Language Teachers; Native Hawaiian Education Council; HawaiiKidsCAN; The Filipino Community Center, Inc.; Filipino American Citizens League; Hawai'i TESOL; Hawaii Friends of Civil Rights; Filipina Advocacy Network; Tinalak Filipino Education Council; and numerous individuals.

Your Committee finds that it is important to create a more culturally-responsive policy climate that embraces the opportunities of Hawaii's diverse ethnic and heterogeneous linguistic population. Recognizing the important role of multilingualism in providing a meaningful and equitable education for student achievement, the Board of Education approved policies that promote high proficiency in English or Hawaiian and an additional language. These policies, based on long-standing research showing the effectiveness of language education for student achievement, support the teaching and learning of languages to fuel economic growth and support international business, military and diplomatic relations, workforce development, and global competence. This measure will support the respective goals of the Board and Department.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2510 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2096 Education on S.B. No. 2384

The purpose and intent of this measure is to require the Department of Education to:

- (1) Develop a comprehensive plan to integrate design thinking and coding in middle, intermediate, and high school curriculums; and
- (2) Submit the plan to the Legislature prior to the Regular Session of 2019.

Your Committee received testimony in support of this measure from the Department of Education and four individuals.

Your Committee finds that many of Hawaii's public schools have already implemented courses in science, technology, engineering, and math, also known as the STEM fields, in their curriculum. However, many curriculums are designed to solely focus on outcome-based results and potential economic impact, which may compromise innovation and creativity when applied to the STEM fields. Design thinking is an approach to learning, collaboration, and problem solving that is structured for identifying challenges, gathering information, generating potential solutions, refining ideas, and testing solutions. Including design thinking in curriculums can improve and enhance the curriculum and assist students in creatively solving problems.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2384 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2097 Education on S.B. No. 2521

The purpose and intent of this measure is to appropriate funds to the Department of Education to provide up to \$1,690 to each special education classroom teacher for instructional materials and equipment.

Your Committee received testimony in support of this measure from the Department of Education; Special Education Advisory Council; Hawaii State Teachers Association; United Public Workers, AFSCME, Local 646, AFL-CIO; Civic Education Council; IMUAlliance; and twelve individuals.

Your Committee finds that special education services, including academic, speech-language, psychological, physical and occupational, and counseling accommodations, meet the unique needs of students with disabilities. Governed by federal and state law, special education services are available to eligible students between three and twenty-two years of age who demonstrate a need for specially designed instruction. However, based on statewide assessments, most of the State's public school students with individualized education programs are performing below grade level in reading and mathematics. Therefore, investing in additional resources for special education teachers and classrooms may serve as a catalyst in closing the achievement gap between special needs students and their general education peers.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2521 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2098 Education on S.B. No. 2527

The purpose and intent of this measure is to require the Department of Education to provide school meals to all public charter schools.

Your Committee received testimony in support of this measure from the Department of Education, State Public Charter School Commission, Hawaii State Teachers Association, Native Hawaiian Education Council, Prince Kuhio Hawaiian Civic Club, Hawaii Appleseed Center for Law and Economic Justice, Hawaii Public Charter School Network, and numerous individuals.

Your Committee finds that the federal school meals programs are critical to the health and well-being of students, especially low-income students, and ensures that they have the nutrition they need to learn. Since just over half of the State's students qualify for free or reduced-price school meals, these meals can provide nutritional and financial support to low-income and working-class families. While the majority of charter schools provide food service from a variety of sources, including the Department of Education and private vendors, this measure ensures that all students, especially low-income students, at public charter schools will have access to nutritious meals.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2527 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2099 Education on S.B. No. 2520

The purpose and intent of this measure is to appropriate funds to the Department of Education for behavior analysis services performed by licensed behavior analysts for public school students.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, Hawaii Disability Rights Center, Hawai'i Association for Behavior Analysis, IMUAlliance, Autism Behavior Consulting Group Hawaii, and numerous individuals. Your Committee received testimony in opposition to this measure from the Hawai'i Psychological Association and four individuals.

Your Committee finds that behavior analysis is the scientific study of principles of learning and behavior. The practice of behavior analysis includes the empirical identification of functional relations between behavior and environmental factors, known as functional assessment and analysis, as well as the use of contextual factors, motivating operations, antecedent stimuli, positive reinforcement, and other consequences to help people develop new behaviors, increase or decrease existing behaviors, and emit behaviors under specific environmental conditions. Because of the overall benefits of behavior analysis, many students enrolled in public schools would benefit from the expansion of behavior analysis services throughout Hawaii's public school system, including but not limited to students with autism disorders.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2520 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2100 Education on S.B. No. 2393

The purpose and intent of this measure is to require the Department of Education to:

- (1) Create a comprehensive plan to establish alternative learning centers in each school complex area in the State; and
- (2) Submit the plan to the Legislature prior to the Regular Session of 2019.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that alternative learning centers provide specialized services, such as trauma treatment, life skills training, vocational education, mental health treatment, medical services, substance abuse intervention, and mentorship programs, to meet the unique needs of at-risk youth. By offering troubled children the long-term and individualized support they need, these children can develop physically, mentally, and socially in a conducive learning environment.

Your Committee has heard the testimony of the Department of Education expressing concerns relating to a comprehensive needs assessment, a cost analysis, a projected implementation plan, and an appropriation of \$200,000 to the Department to contract for these studies if this measure were to pass. Additionally, the Department of Education proposed submitting an update report to the 2018-2019 Legislature and a final report to the 2019-2020 Legislature, including any budget requests or legislation, as necessary. Your Committee finds that these issues raise concerns that merit further consideration and requests that your Committee on Ways and Means further examine those issues and concerns raised by the Department of Education on this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2393 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2101 Education on S.B. No. 2383

The purpose and intent of this measure is to:

- (1) Amend provisions of the national certification incentive program within the Department of Education to include school psychologists who have achieved national certification;
- (2) Amend provisions related to eligible schools where teachers or school psychologists with national certification are eligible for the incentive program;
- (3) Beginning with fiscal year 2018-2019, and each fiscal year thereafter, require funding requests by charter schools for teacher incentive programs, bonuses, and other compensation beyond regular wages to be a separate line item in the general appropriations act and supplemental appropriations act; and
- (4) Appropriate funds for certain bonuses for public school teachers and for national certification incentive program bonuses for charter schools.

Your Committee received testimony in support of this measure from the Department of Education, State Public Charter School Commission, Hawaii State Teachers Association, Hawai'i Association of School Psychologists, and nine individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that Hawaii continues to suffer from a shortage of qualified teachers and that financial incentives are a key strategy for the recruitment and retention of teachers. National certified education professionals, including school psychologists, are critical to increasing learning growth for students, especially in hard-to-fill schools. Due to resource shortages and low pay experienced by educators working in high-need and economically impaired areas, it is critical to incentivize the pursuit of professional excellence and reward quality educators.

Your Committee has amended this measure by:

- (1) Specifying that the appropriated funds shall be used to pay for bonuses for public school teachers, charter school teachers, and school psychologists for collectively bargained placement bonuses in schools determined as hard-to-fill by the Department of Education and national certification incentive program bonuses;
- (2) Deleting provisions that would have appropriated funds to the Hawaii State Public Charter School Commission for national certification incentive program bonuses for charter schools; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2383, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2383, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kim).

SCRep. 2102 Commerce, Consumer Protection, and Health on S.B. No. 2748

The purpose and intent of this measure is to amend the State's charitable solicitations law by:

- (1) Substituting the term "total revenue" for the term "gross revenue" and term "total receipts" for the term "gross receipts";
- (2) Clarifying when professional solicitors must file financial reports;
- (3) Clarifying when commercial co-venturers must provide a charitable organization with an accounting and the benefit of a charitable sales promotion;
- (4) Eliminating the requirement for certain charitable organizations to submit an audit report; and
- (5) Making housekeeping amendments.

Your Committee received testimony in support of this measure from the Department of the Attorney General; Association of Fundraising Professionals - Aloha Chapter; Hawaii Association of Independent Schools; Hawaii Council of Private Schools, LLC; and Hawai'i Alliance of Nonprofit Organizations.

Your Committee finds that this measure makes several amendments to the State's law governing charitable solicitations, including clarifying the operating and reporting requirements for charitable organizations, ensuring charitable organizations report to the Attorney General in a timely fashion, and clarifying reporting process requirements for solicitation campaigns and events. This measure also assists the Department of the Attorney General in its oversight of charitable organizations and fundraising activities, clarifies regulatory procedures for the nonprofit sector, and provides additional disclosures for the public.

Your Committee has amended this measure by:

- (1) Reinserting the Hawaii Council of Private Schools into the Department of the Attorney General's list of authorized licensing or accrediting organizations that are exempted from registration and financial disclosure requirements, as this organization was mistakenly removed from the list by legislation passed during the Regular Session of 2017; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2748, as amended herein, and recommends

that it pass Second Reading in the form attached hereto as S.B. No. 2748, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 2103 Commerce, Consumer Protection, and Health on S.B. No. 3024

The purpose and intent of this measure is to prohibit the sale of video games that contain a system of further purchasing, including a randomized reward or a virtual item that can be redeemed to directly or indirectly receive a randomized reward, to consumers under twenty-one years of age.

Your Committee received testimony in support of this measure from the Hawaii Youth Services Network and two individuals. Your Committee received testimony in opposition to this measure from the Entertainment Software Association, TechNet, and Retail Merchants of Hawaii. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that the multi-billion-dollar video game industry is extremely popular in America. Video games and gaming content are widely and easily available to consumers and may be purchased at the touch of a button through smart phones, gaming consoles, or personal computers. However, video games that contain randomized rewards or variable reward mechanisms, also known as loot boxes, may introduce children and young adults to the thrills of gambling at an age when their brains are not fully developed. According to testimony received by your Committee, children and youth are vulnerable to developing behavioral addiction to gambling and lack the maturity or knowledge to recognize the risks they encounter. Furthermore, parents and other responsible adults are often unaware of the randomized rewards that are often available in the video games their children are using. Your Committee notes that the ubiquitous reach of video games, which require active, lengthy participation and exposure to the psychological manipulation techniques of loot boxes, may present harmful risks to the financial well-being and mental health of individuals, especially vulnerable youth and young adults. This measure therefore prohibits the sale of video games that contain a system of further purchasing, including a randomized reward or a virtual item, to consumers under twenty-one years of age.

Your Committee has amended this measure by:

- (1) Inserting a definition of “randomized reward”; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3024, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3024, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 2104 Commerce, Consumer Protection, and Health on S.B. No. 2653

The purpose and intent of this measure is to:

- (1) Establish requirements for licensure by endorsement for physicians, surgeons, and osteopathic physicians; and
- (2) Appropriate an unspecified sum from the compliance resolution fund to implement the licensure by endorsement process established by this measure.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii Medical Board, Hawaii Medical Association, Hawai'i Pacific Health, and Hilo Medical Center. Your Committee received comments on this measure from the Hawai'i Primary Care Association.

Your Committee finds that Hawaii is facing a critical shortage of health care providers in almost every field of practice, with primary care providers being the largest group in short supply, followed by infectious disease specialists on Oahu and Kauai, colorectal surgeons in the County of Hawaii, and geriatric doctors in the County of Maui. Your Committee further finds that the health care provider shortage is projected to worsen, due to the increased demand for health care from the State's aging population and the retirement of an aging physician population.

Your Committee additionally finds that another access to care barrier is the limitation placed on physicians seeking to relocate to Hawaii, as the Hawaii Medical Board (Board) currently lacks the ability to grant licensure by endorsement to physicians, surgeons, and osteopathic physicians who are fully qualified and licensed in another jurisdiction. According to testimony from the Board, between January 2016 and December 2017, the Board received over one thousand applications from physicians who were licensed in other jurisdictions, had mailing addresses in other jurisdictions, or both. This measure therefore establishes licensure by endorsement requirements for physicians, surgeons, and osteopathic physicians, which will provide greater access to medical care in Hawaii and address the high volume of applications received from out-of-state physicians in a more streamlined manner.

Your Committee notes that although this measure permits the Board to grant licensure by endorsement in an expeditious fashion, it does not lessen the Board's legislative mandate to protect Hawaii consumers from unsafe and incompetent health care practitioners and clearly ensures that the Board may only license physicians, surgeons, and osteopathic physicians who meet specific licensing requirements and who have not been previously disciplined by another medical or osteopathic medical board.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2653 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 2105 Commerce, Consumer Protection, and Health on S.B. No. 2658

The purpose and intent of this measure is to appropriate funds to the Department of Health for the operating costs, including the purchase of two ambulance vehicles, equipment, supplies, and personnel costs, for one twenty-four hour, seven days a week ambulance unit each for the Counties of Kauai and Hawaii.

Your Committee received testimony in support of this measure from the County of Hawaii Office of the Mayor, Hawaii State Association of Counties, Hawaii County Councilmember Sue Lee Loy, Kauai County Councilmember Arthur Brun, Hawaii County Councilmember Eileen O'Hara, Hawaii Pacific Health Wilcox Medical Center, Hawaii Pacific Health, Hawaii Fire Fighters Association, American Medical Response, Ohana Pacific Management County, and seven individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that the populations of the Counties of Kauai and Hawaii, particularly of the elderly and homeless, have grown and that ambulance response times have consequently increased in those counties, especially to outlying areas. Your Committee held a joint informational briefing on January 16, 2018, on emergency medical services in which the Emergency Medical Services Advisory Committee and the Department of Health's Emergency Medical Services and Injury Prevention Branch recommended that the addition of ambulance units to the Counties of Hawaii and Kauai be prioritized.

The recommendation expressed at the January informational briefing is echoed by testimony received by your Committee on this measure, which indicates that a new ambulance unit has not been added on Kauai since 1992 despite a 6.9 percent increase in population from 2010 to 2015. In certain areas of Kauai, from 2010 to 2015, thirty-four percent of emergency calls exceeded the mandated response time of twenty minutes. Similarly, on the island of Hawaii, the volume of emergency calls has increased without a commensurate increase in emergency medical services to areas such as Makalei and Puna.

Your Committee finds that response times are critical in matters of life or death. This measure appropriates funds to ensure that residents in the Counties of Hawaii and Kauai receive the same level of emergency medical services that are available to residents in other areas of the State, with the goal of improved health outcomes in emergencies.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2658 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2106 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2487

The purpose and intent of this measure is to amend the definition of "quality assurance committee" as used in section 663-1.7, Hawaii Revised Statutes (HRS), to match the definition of the same term in section 624-25.5, HRS, to ensure the consistent use of this term in statute and allow the establishment of a quality assurance committee outside of a single health plan or hospital.

Your Committees received testimony in support of this measure from the Department of Health, Department of Commerce and Consumer Affairs Insurance Division, University of Hawaii at Hilo College of Pharmacy, Hawaii Fire Department, Healthcare Association of Hawaii, Hilo Medical Center, and Community First.

Your Committees find that quality assurance committees provide hospitals, health plans, long term care facilities, and other healthcare organizations with a mechanism to evaluate, monitor, and improve quality of care; reduce patient risk and error; and assess the overall effectiveness of care provided to patients. As such, quality assurance committees are essential to the healthcare delivery system.

Your Committees further find that there are two separate, inconsistent definitions of the term "quality assurance committee" in the HRS. One definition applies to chapter 624, HRS, relating to depositions and discovery, while the other applies to chapter 663, HRS, relating to tort actions. Due to this inconsistency, quality assurance committees established under chapter 624, HRS, to monitor, improve, and evaluate patient care within the statewide trauma systems may be established outside of a single health plan or hospital, whereas quality assurance committees established under chapter 663, HRS, may not. This measure seeks to correct this inconsistency and provide quality assurance committees established under chapters 624 and 663, HRS, with the same confidentiality and liability protections.

Your Committees find that this measure will support the important goals of providing community-based, interdisciplinary health care and will enable healthcare organizations to better plan, coordinate, and manage patients' care.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2487 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

Human Services: Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2107 Commerce, Consumer Protection, and Health on S.B. No. 2771

The purpose and intent of this measure is to:

- (1) Authorize the Commissioner of Financial Institutions to enter into consent orders and issue cease and desist orders for violations of the State's mortgage servicer laws by licensees and unlicensed persons; and

- (2) Permit the Commissioner of Financial Institutions to adopt certain mortgage servicer requirements to the extent reasonably necessary to use NMLS.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that NMLS is a web-based nationwide licensing system that streamlines workflow and communications for applicants, licensees, and licensing authorities, including the Division of Financial Institutions of the Department of Commerce and Consumer Affairs. NMLS has been in operation since January 2008 and is continually being improved. However, due to current state law, some of the improvements to NMLS are not yet available for Hawaii, such as the ability to accept an electronic bond uploaded by an insurance carrier. This measure therefore permits the Commissioner of Financial Institutions (Commissioner) to modify or establish requirements pertaining to applications and license surrender, as reasonably necessary to use NMLS. This will give the Commissioner the authority to allow electronic bonds through NMLS, in accordance with the current practice of other states, and further use NMLS to manage the licensure of mortgage servicers without burdening licensees.

Your Committee notes that according to testimony from the Department of Commerce and Consumer Affairs, the Commissioner was recently unable to issue a cease and desist order against a mortgage servicer who was in violation of state law, as existing state law only permits the Commissioner to issue a proposed cease and desist order. This measure therefore authorizes the Commissioner to enter into consent orders and issue cease and desist orders for violations by licensees and unlicensed persons, which will enable the Commissioner to quickly minimize consumer harm, expedite decisions, and save resources.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2771 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 2108 Judiciary on S.B. No. 2146

The purpose and intent of this measure is to provide that whenever an election officer is required to issue a public notice in a statewide or county publication, the publication requirement is satisfied upon the submission of the notice to the publication; provided that the notice is also posted on the website associated with the election officer.

Your Committee received testimony in support of this measure from the Office of Elections.

Your Committee finds that timely filing of public notice relating to elections is important to keep the public well-informed. Unusual situations, such as vacancies in close proximity to the candidate filing deadline that add a contest to the ballot and extend the candidate filing deadline, should be brought to the attention of the public as soon as possible. The Office of Elections cannot guarantee compliance by an outside entity once the Office provides a proclamation or other public notice, so requiring the Office to post the notice on the Office's website will ensure that the Office can meet election deadlines regardless of the actions of outside entities.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2146 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 2109 Judiciary on S.B. No. 461

The purpose and intent of this measure is to increase the maximum monetary penalty for providing false information during the process of registering to vote.

Your Committee received testimony in support of this measure from the Office of Elections, Department of the Prosecuting Attorney of the County of Maui, Maui County Police Department, and Common Cause Hawaii.

Your Committee finds that the acknowledgements currently required of persons registering to vote are inconsistent with state statutes related to voter fraud. As a result, persons registering to vote on the day of an election receive obsolete information about their responsibilities as voters and the potential consequences of committing voter fraud. This measure will clarify the penalties associated with committing voter fraud and ensure that the acknowledgements required of persons registering to vote are consistent with other related state statutes.

Your Committee has amended this measure by:

- (1) Replacing language requiring persons registering to vote to acknowledge that providing false information is a class C felony with language requiring persons registering to vote to acknowledge that voter fraud is a class C felony, punishable by a fine not exceeding \$10,000 or imprisonment not exceeding five years, or both; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 461, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 461, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 2110 Judiciary on S.B. No. 2142

The purpose and intent of this measure is to:

- (1) Remove the requirement that failure to file a statement or report required by the lobbyists law be willful in order to be subject to an administrative fine; and
- (2) Clarify that the Hawaii State Ethics Commission may assess an administrative fine pursuant to a settlement agreement.

Your Committee received testimony in support of this measure from the Hawaii State Ethics Commission, Common Cause Hawaii, and League of Women Voters of Hawaii.

Your Committee finds that existing statutory provisions relating to administrative penalties for lobbyists who fail to file required statements or reports are obsolete and inconsistent with other provisions of the lobbyists law. The existing state of mind requirement is no longer appropriate now that failing to file or report is no longer a criminal misdemeanor. Administrative fines are also appropriate as conditions for the settlement of violations without the need for a hearing.

Your Committee has concerns that removing the requirement that failure to file a statement or report required by the lobbyists law be willful in order to be subject to administrative fine could create a standard approaching strict liability for such a violation. Your Committee finds that this issue raises concerns that merit further consideration and encourages further discussion to establish a reasonable standard other than strict liability.

Your Committee has amended this measure by:

- (1) Removing language that deleted the requirement that failure to file a statement or report required by the lobbyists law be willful in order to be subject to administrative fine; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2142, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2142, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 2111 Judiciary on S.B. No. 2174

The purpose and intent of this measure is to authorize the circuit court or family court to issue a material witness order in cases initiated through felony complaint, indictment, or information.

Your Committee received testimony in support of this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu.

Your Committee finds that a felony criminal case can be initiated through felony complaint, indictment, or information. In some cases, it is advantageous to the prosecution to initiate the case through felony information because a preliminary hearing will follow the complaint. A preliminary hearing allows the State to have sworn testimony from witnesses that may, in certain circumstances, be used at trial if a witness suddenly becomes unavailable prior to trial. Preliminary hearings also give defendants the opportunity to confront witnesses against them and defendants' attorneys the opportunity to cross-examine witnesses. Although courts are authorized to issue material witness orders in cases initiated through indictment or information, courts cannot issue material witness orders in cases initiated through felony complaint. Authorizing courts to issue material witness orders in cases initiated through felony complaint would allow the prosecution and defense in such cases to more effectively assist the court in reaching just and well-supported decisions.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2174, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2174, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2112 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2988

The purpose and intent of this measure is to appropriate funds to the Department of Health for the implementation and sustainability of the kupuna caregivers program and require the Executive Office on Aging to submit a report to the Legislature that details kupuna caregivers program outcomes.

Your Committees received testimony in support of this measure from the Hawaii Public Health Association, Healthcare Association of Hawaii, Hawaii Chapter - American Physical Therapy Association, Mental Health America of Hawaii, The American College of Obstetricians and Gynecologists Hawaii Section, AARP Hawaii, Ho'omanapono Political Action Committee, PHOCUSED, The Young Progressives Demanding Action, Hawai'i Appleseed Center for Law and Economic Justice, Faith Action Community Equity, ILWU Local 142, American Association of University Women, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Hawaii Women's Coalition, Caring Across Generations, and twenty individuals. Your Committees received comments on this measure from the Department of Health Executive Office on Aging.

Your Committees find that the appropriation provided for in this measure will expand an important program for Hawaii's kupuna and their families on a statewide basis.

Your Committees note that the program also includes safeguards to ensure that consumers receive quality care; in order to receive assistance through the kupuna caregivers program, an individual must be a qualified caregiver who provides care for an elder who qualifies for the kupuna care program.

Your Committees have heard the concern of the Executive Office on Aging with respect to the additional burden that would be imposed by an additional, separate report to the Legislature. Your Committees agree that requiring the Executive Office on Aging to provide a separate report would be needlessly burdensome, and that the same information can be included in the Executive Office on Aging's existing report to the Legislature.

Accordingly, your Committees have amended this measure by:

- (1) Replacing the requirement that the Executive Office on Aging submit a separate report on kupuna caregivers program outcomes with a requirement that the Executive Office on Aging include the requested information on kupuna caregivers program outcomes in its existing report to the Legislature; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2988, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2988, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

Human Services: Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2113 Labor on S.B. No. 2367

The purpose and intent of this measure is to require the Hawaii Labor Relations Board to deliver its decisions and orders by hand, United States Postal Service mail with delivery confirmation, or electronically.

Your Committee received testimony in support of this measure from the Hawaii Labor Relations Board.

Your Committee finds that electronic filing services cut costs for the State by eliminating postage costs and staff time to mail decisions and orders. Your Committee further finds that more than ninety-five percent of parties appearing before the Hawaii Labor Relations Board are registered for electronic filing services, which includes an agreement to receive all documents electronically.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2367, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2367, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2114 Labor on S.B. No. 2803

The purpose and intent of this measure is to:

- (1) Update boiler and elevator safety laws by making housekeeping amendments to delete obsolete language;
- (2) Rename the boiler and elevator special fund as the boiler and elevator revolving fund; and
- (3) Extend the schedule for reimbursement of the general fund for appropriations made to establish the boiler and elevator special fund from five to ten years.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations.

Your Committee finds that current state law contains various definitions of elevators and kindred equipment that are either no longer a part of applicable standards, transitioned to the jurisdiction of other work groups, excluded from the American Society of Mechanical Engineers A17.1, Safety Code for Elevators and Escalators, or non-existent in Hawaii; therefore, it is necessary to update the state laws to comply with the national standards.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2803, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2803, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2115 Labor on S.B. No. 2767

The purpose and intent of this measure is to clarify the acquisition of service provisions to maintain the status of the Employees' Retirement System (ERS) as a tax-qualified plan under section 401(a) of the Internal Revenue Code.

Your Committee received testimony in support of this measure from the Board of Trustees of the Employees' Retirement System.

Your Committee finds that the ERS must use specific methods of purchasing additional membership service credit by pre-tax contributions to maintain the tax-qualified status of the system. Act 86, Session Laws of Hawaii 2015, prospectively changes the cost to purchase membership service based on actuarially neutral cost calculation, with a delayed implementation date of July 1, 2020. This measure makes necessary amendments to existing law affecting purchases after June 30, 2020, to ensure that the tax-qualified status of the ERS is not jeopardized.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2767, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2767, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2116 Labor on S.B. No. 2734

The purpose and intent of this measure is to allow the employee's designation of beneficiary form to be kept in the department where the employee is employed and permit the designation to be filed and maintained electronically.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services.

Your Committee finds that currently, section 78-23(c), Hawaii Revised Statutes, requires the employee's designation of beneficiary form to be written, notarized, and filed with the comptroller or another disbursing officer who issues warrants or checks to pay an employee for the employee's services. This requirement has resulted in thousands of forms being maintained in a central location at the Department of Accounting and General Services. Maintaining the forms, which includes manually filing forms alphabetically for new employees, filing updated forms for current employees, and purging forms of employees no longer employed with the State, is extremely labor intensive. Keeping the forms within the employing department ensures that the form, along with other payroll and personnel forms, would routinely be discarded when no longer required. Your Committee further finds that the State is in the process of implementing a new payroll system that may be able to maintain beneficiary information entered by the employee. Accordingly, this measure amends statute to eliminate the requirement that the form be written and notarized, which will allow the new system to maintain the most current beneficiary information in an electronic format.

Your Committee has amended this measure by inserting an effective date of January 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2734, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2734, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2117 Labor on S.B. No. 2761

The purpose and intent of this measure is to:

- (1) Amend the definition of "dependent-beneficiary" under the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) to clarify eligibility of children for participation in fund benefit plans; and
- (2) Conform the definition of "dependent-beneficiary" to the federal Patient Protection and Affordable Care Act of 2010.

Your Committee received testimony in support of this measure from the Hawaii Employer-Union Health Benefits Trust Fund and University of Hawaii Professional Assembly.

Your Committee finds that the existing definition of "dependent-beneficiary" in section 87A-1, Hawaii Revised Statutes, allows for a child born to or adopted by an employee's or retiree's surviving spouse after the death of the employee or retiree to receive EUTF benefits. Your Committee finds that EUTF benefits should only cover natural or adopted children of a deceased state employee or retiree. Your Committee also finds that it is important for EUTF definitions to be consistent with existing federal law.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2761, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2761, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2118 Labor on S.B. No. 2764

The purpose and intent of this measure is to preserve the Employees' Retirement System's (ERS) use and control of unclaimed member contributions and benefit payments.

Your Committee received testimony in support of this measure from the Board of Trustees of the Employees' Retirement System.

Your Committee finds that despite a reasonably diligent search, the ERS sometimes cannot locate the member, former member, beneficiary, person, or entity to be paid benefits. Under the Uniform Unclaimed Property Act, after a designated amount of time, these unclaimed contributions and benefit payments are paid to the Unclaimed Property Program. This measure preserves ERS's use and control of unclaimed contributions and benefit payments by suspending and forfeiting them to the ERS prior to the time that they would be required to be paid to the Unclaimed Property Program while also preserving the ability of a member to recover forfeited contributions or benefit payments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2764, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2764, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2119 Labor on S.B. No. 2766

The purpose and intent of this measure is to clarify the applicability of benefits for accidental death and service-connected disability benefits for members of the Employees' Retirement System (ERS).

Your Committee received testimony in support of this measure from the Board of Trustees of the Employees' Retirement System.

Your Committee finds that as a trust fund, ERS assets are for the exclusive benefits of its members and beneficiaries. The Supreme Court of Hawaii issued a memorandum of opinion on July 10, 2017, on an appeal of a decision by the ERS Medical Board. The Court found that section 88-21, Hawaii Revised Statutes, defines "service" to include any "service as an employee paid by the State or county", and found additional language that indicates that "connected" service includes non-ERS-membership state or county service, as long as the member makes ERS contributions during the non-ERS-membership state or county service. Separately defined is "membership service" as "all service rendered by a member for which the member had made the required contributions to the system". The Court made the distinction between "service" and "membership service" and noted that section 88-79, Hawaii Revised Statutes, provides for "service-connected disability retirement" and not "membership service-connected disability retirement". Based on this opinion, it may be construed that "service" includes persons working in governmental functions paid by the State or county who are not members of the ERS. This measure clarifies that benefits related to service-connected disability and accidental death benefits are limited to members who are beneficiaries of the trust.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2766, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2766, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2120 Labor on S.B. No. 2994

The purpose and intent of this measure is to allow employers to obtain temporary restraining orders and injunctions to protect against harassment of employees or invitees at the employer's premises and worksites.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii.

Your Committee finds that employers must maintain safe working environments for their employees. Incidents of harassment at an employee's workplace not only create safety issues, but may also increase the risk of incidents with other employees and individuals. Your Committee finds that this measure allows employers to prevent further harassment and maintain a safe workplace for its employees and customers.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2994 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2121 (Joint) Human Services and Commerce, Consumer Protection, and Health on S.B. No. 2108

The purpose and intent of this measure is to require the Department of Human Services to provide health care premium assistance for individuals at various income ranges up to three hundred percent of the federal poverty level.

Your Committees received testimony in support of this measure from Ho'omanapono Political Action Committee and two individuals. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that health care premiums in the State have drastically increased and are expected to rise in the next few years. Your Committees further find that in 2015, health care costs accounted for 14.7 percent of a resident's income. Rising premium costs, along with other necessary expenses, have increased the cost of living in the State, particularly for middle- and low-income families and individuals. This measure provides necessary financial relief for these families and individuals.

As affirmed by the records of votes of the members of your Committees on Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2108 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 5. Noes, none. Excused, none.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Ruderman).

SCRep. 2122 Human Services on S.B. No. 2276

The purpose and intent of this measure is to appropriate funds for:

- (1) The Department of Human Services to establish a five-year pilot program in the East Hawaii Child Welfare Services Section in Hawaii County that limits the number of children per child welfare services caseworker to no more than twenty; and
- (2) Additional case managers and support staff for the pilot program.

Your Committee received testimony in support of this measure from the Department of Human Services; Office of the Mayor, County of Hawai'i; Office of the Prosecuting Attorney, County of Hawai'i; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Hawaii Life Alliance; Calvary Chapel Pearl Harbor; and twenty-five individuals.

Your Committee finds that in 2015, the rate of confirmed cases of child abuse or neglect was two hundred thirteen children per 100,000 residents in Hawaii County. Your Committee further finds that layoffs and hiring restrictions have caused the East Hawaii Child Welfare Services Section to lose positions, resulting in an increase in average caseloads per caseworker. The pilot project proposed by this measure provides an opportunity to demonstrate the positive impact of adequate staffing levels on the well-being of at-risk children and families in east Hawaii.

Your Committee also notes that the Department of Human Services recognizes the recruitment and retention of young caseworkers as a critical but challenging effort to maintaining appropriate caseloads per worker. In response to a new generation entering the workforce, the department is currently investing in its technology system to improve data sharing across programs and agencies and streamline processes to assist and engage young caseworkers.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2276 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2123 Human Services on S.B. No. 2477

The purpose and intent of this measure is to amend the penalty for nonreporting of the abuse or neglect of a child, from a petty misdemeanor to a class C felony.

Your Committee received testimony in support of this measure from IMUAlliance; Domestic Violence Survivor Advocate; Rainbow Family 808; Patients Without Time; Justice, Peace and Healing for Sons and Daughters; and ten individuals. Your Committee received testimony in opposition to this measure from the Hawai'i Psychology Association and We Are One, Inc.

Your Committee finds that, in 2015, the Department of Human Services reported that a total of 3,747 reports were made regarding child abuse in the State. Your Committee further finds that it is estimated that for every report made, two go unreported in the United States. Your Committee notes that the current lawsuit filed by former Kamehameha Schools students, who were abused by a psychiatrist recommended by the school, shows the importance of reporting any case of child abuse to the proper authority. Elevating the offense of nonreporting of the abuse or neglect of a child to a felony demonstrates the importance of reporting these cases and establishes a stronger deterrent to noncompliance.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2477 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2124 Human Services on S.B. No. 2536

The purpose and intent of this measure is to authorize the Department of Human Services to contract the services of a capture manager to secure grants and other funding opportunities for the department and appropriate funds for this position.

Your Committee received testimony in support of this measure from the Department of Human Services and Hawai'i Primary Care Association.

Your Committee finds that adding a grant manager position aligns with the Department of Human Services' efforts and mission to support the well-being of individuals, families, and communities in Hawaii. Your Committee further finds that, in fiscal year 2017, the Department received thirty-six grants totaling \$1,938,266,000, a majority of which were grants from the federal government for Supplemental Nutrition Assistance Program benefits and medical insurance coverage.

Your Committee notes that a grant manager position will assist the Department by seeking competitive grants and support the Department's effort to reducing poverty in the State.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2536 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2125 Human Services on S.B. No. 2605

The purpose and intent of this measure is to establish a criminal offense of assault against a child in a child care facility.

Your Committee received testimony in support of this measure from the Domestic Violence Survivor Advocate, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and Rainbow Family 808. Your Committee received comments on this measure from the Department of Human Services and Honolulu Police Department.

Your Committee finds that child care facilities are an important and critical setting for the growth and development of a child. Your Committee further finds that parents and guardians who enroll their child at a child care facility trust that their child's health and well-being are taken care of and that safety is a priority.

Your Committee heard testimony from the Department of Human Services expressing concern that this measure might deter current child care providers from operating in the State and from the Honolulu Police Department expressing concern regarding enforceability of this measure. Your Committee finds that these issues merit further consideration and requests that that your Committee on Judiciary further examine them.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2605 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2126 (Joint) Housing and Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2401

The purpose and intent of this measure is to:

- (1) Establish and appropriate funds for a three-year pilot program to assist families with minors who are homeless or at risk of homelessness to obtain permanent housing; and
- (2) Appropriate funds to the Hawaii Public Housing Authority, Department of Human Services, and Department of Health to support the State's most effective programs to end homelessness, including public housing improvements and renovations statewide, housing first, rapid rehousing, outreach services programs to homeless persons, including civil legal services, Oahu's family assessment center, and the law enforcement assisted diversion (LEAD) program.

Your Committees received testimony in support of this measure from the Governor's Coordinator on Homelessness, Department of Human Services, Hawaii Public Housing Authority, Hawaii Youth Services Network, Hawai'i Pacific Health, Hawaii Kai Homeless Task Force, Ho'omanapono Political Action Committee, Catholic Charities Hawai'i, Partners in Care, Aloha United Way, Project Vision Hawaii, Hawaii Substance Abuse Coalition, PHOCUSED, Young Progressives Demanding Action, Mental Health America of Hawai'i, The CHOW Project, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and twenty-one individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that homelessness is one of the most pressing problems in Hawaii, and a robust, comprehensive solution is needed to increase the pace at which the State is gaining ground on addressing homelessness. For the first time in years, the homelessness rate in Hawaii went down in 2017. Hawaii is turning the tide on the homelessness crisis by investing in proven programs like housing first and rapid rehousing. The network of people and resources engaged in addressing homelessness has begun to make more efficient use of available resources by implementing a data-driven, collaborative process that matches those experiencing homelessness with the services they need to make more efficient use of available resources. However, Hawaii continues to have the highest per capita rate of homelessness of any state in the United States, with an estimated 7,220 people living on the streets and in shelters.

Accordingly, your Committees further find that the State must increase the investment in and commitment to the solution. This measure continues to address the State's homeless crisis by providing a multi-faceted approach using proven interventions that are targeted to the particular characteristics of the population being served and that address the root causes of homelessness.

Your Committees have amended this measure by:

- (1) Adopting the language suggested by Catholic Charities Hawai'i that:
 - (A) Changes the name of the three-year pilot project to be administered by the Hawaii Public Housing Authority from the state rental assistance program to the housing homeless children pilot program, and clarifies that the purpose of the pilot program is to assist families with minors, or those families with minors at imminent risk of homelessness due to domestic violence, to obtain and maintain permanent housing;
 - (B) Removes the requirements that the pilot program serve one hundred qualified families and provide time-limited rental assistance up to \$500 per month, to allow flexibility for the Hawaii Public Housing Authority to meet the individual needs of the families served by the pilot program; and

- (C) Authorizes the Board of Directors of the Hawaii Public Housing Authority to develop interim rules without regard to chapter 91, Hawaii Revised Statutes, to enable immediate implementation of the pilot program;
- (2) Adopting the language suggested by the Hawaii Youth Services Network that inserts language to dedicate, of the \$2,200,000 appropriated for the Department of Human Services to continue to administer the outreach services program to homeless persons, \$300,000 for outreach services to runaway and homeless youth, in addition to the \$310,000 dedicated for civil legal services;
- (3) Adopting the language suggested by the Hawaii Substance Abuse Coalition that:
- (A) Inserts clarifying language in section 1 under the principles of housing first programs regarding embracing harm-reduction approaches to addictions; and
- (B) Inserts language to clarify that the \$1,000,000 appropriation for the Department of Health to continue to administer homeless outreach, counseling, and diversion for unsheltered persons experiencing substance abuse includes professional case managers who employ basic core competencies for substance abuse treatment; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing, Commerce, Consumer Protection, and Health, and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2401, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2401, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 3. Noes, none. Excused, 2 (Kaehele, Nishihara).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

Human Services: Ayes, 4. Noes, none. Excused, 1 (Tokuda).

SCRep. 2127 (Joint) Judiciary and Labor on S.B. No. 2177

The purpose and intent of this measure is to:

- (1) Create standards and procedures for income withholding for the purpose of enforcing restitution orders; and
- (2) Appropriate monies to the Department of the Attorney General.

Your Committees received testimony in support of this measure from the Crime Victim Compensation Commission, Department of the Prosecuting Attorney of the City and County of Honolulu, Department of the Prosecuting Attorney of the County of Maui, and one individual. Your Committees received testimony in opposition to this measure from the Office of the Public Defender. Your Committees received comments on this measure from the Department of the Attorney General.

Your Committees find that many victims of crimes in the State have no effective means to collect restitution even if the offender has the ability to make restitution payments. Court-ordered restitution payments are difficult to recover if an offender chooses not to cooperate with the payment order. This measure will authorize courts to order income withholding for the payment of restitution orders.

Your Committees note the testimony of the Department of the Attorney General that implementation of this measure will necessitate the Department to hire two additional staff and require at least \$180,000 in appropriations.

Your Committees have amended this measure by:

- (1) Changing the required time for the Department of the Attorney General to disburse withheld funds to the victim after receipt of the funds from the employer from five business days to ten business days; and
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2177, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2177, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

Labor: Ayes, 3. Noes, none. Excused, 2 (Chang, English).

SCRep. 2128 Judiciary on S.B. No. 2666

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including goal five, gender equality, of the seventeen United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Education, Department of Human Services, Office of Planning, Airport Concessionaires Committee, Oahu Economic Development Board, Oahu County Legislative Priorities Committee of the Democratic Party of Hawaii, and one individual.

Your Committee finds that Hawaii has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that the priority of the Senate for the Regular Session of 2018 is to adopt the United Nation's Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end

poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal five, gender equality, into state law.

Your Committee has amended this measure by:

- (1) Codifying the Sustainable Development Goal in chapter 226, Hawaii Revised Statutes, instead of chapter 344, Hawaii Revised Statutes;
- (2) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2666, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2666, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2129 Judiciary on S.B. No. 2671

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including goal ten, reducing inequalities, of the seventeen United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Human Services, Office of Planning, Airport Concessionaires Committee, Oahu Economic Development Board, and Oahu County Legislative Priorities Committee of the Democratic Party of Hawaii.

Your Committee finds that Hawaii has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that the priority of the Senate for the Regular Session of 2018 is to adopt the United Nation's Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal ten, reducing inequalities, into state law.

Your Committee has amended this measure by:

- (1) Codifying the Sustainable Development Goal in chapter 226, Hawaii Revised Statutes, instead of chapter 344, Hawaii Revised Statutes;
- (2) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2671, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2671, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2130 Judiciary on S.B. No. 2677

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including goal sixteen; peace, justice, and strong institutions, of the seventeen United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Human Services, Office of Planning, Airport Concessionaires Committee, Oahu Economic Development Board, and Oahu County Legislative Priorities Committee of the Democratic Party of Hawaii.

Your Committee finds that Hawaii has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that the priority of the Senate for the Regular Session of 2018 is to adopt the United Nation's Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal sixteen; peace, justice, and strong institutions, into state law.

Your Committee has amended this measure by:

- (1) Codifying the Sustainable Development Goal in chapter 226, Hawaii Revised Statutes, instead of chapter 344, Hawaii Revised Statutes;
- (2) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2677, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2677, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kim).

SCRep. 2131 Judiciary on S.B. No. 2908

The purpose and intent of this measure is to:

- (1) Appropriate monies to the Hawaii Internet Crimes Against Children Task Force; and
- (2) Require the Task Force to submit a report to the Legislature.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Department of the Prosecuting Attorney of the County of Maui, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and one individual.

Your Committee finds that the Internet Crimes Against Children Task Force Program is a national network of sixty-one coordinated task forces representing over 4,500 federal, state, and local law enforcement and prosecutorial agencies. The Program was developed in response to the increasing number of children and teenagers using the Internet and other technologies, the proliferation of child sexual abuse images available electronically, and heightened online activity by predators seeking unsupervised contact with potential underage victims. The Internet Crimes Against Children Task Force in Hawaii is funded by a combination of federal grant monies and appropriations from the state Legislature.

Your Committee further finds that the Internet Crimes Against Children Task Force would benefit from an increased appropriation from the Legislature, but the exact needs of the Task Force and the way that the Task Force would use the appropriated monies is unclear.

Your Committee has amended this measure by:

- (1) Changing the amount of the appropriation to a blank amount;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2908, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2908, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 2132 (Joint) Agriculture and Environment and Higher Education on S.B. No. 2894

The purpose and intent of this measure is to require the Department of Agriculture, in coordination with the Agribusiness Development Corporation and University of Hawaii College of Tropical Agriculture and Human Resources, to conduct crop performance testing trials on state agricultural lands of Hawaii's most highly imported food crops.

Your Committees received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; University of Hawaii System Government Relations Office; Ulupono Initiative; Hawaii'i Farm Bureau; Ho'omanapono Political Action Committee; Ka Ohana O Na Pua; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Hawaii Cattlemen's Council, Inc.; and two individuals.

Your Committees find that the Office of Planning, in cooperation with the Department of Agriculture, issued a report in October 2012, entitled "Increased Food Security and Food Self-Sufficiency Strategy: A State Strategic/Functional Plan Prepared in Accordance with HRS Chapter 226 Hawaii State Plan and the Hawaii Comprehensive Economic Development Strategy". The executive summary of the report states in pertinent part, "The purpose of the Increased Food Security and Food Self-Sufficiency Strategy (Strategy) is to increase the amount of locally grown food consumed by Hawaii residents. This will increase food self-sufficiency which is a component of food security. The Strategy is a living document intended as a first step toward continued dialog and implementation." Your Committees further find that an important step to increasing local food production is to identify crops currently imported that may be grown in Hawaii instead. Accordingly, this measure is that next step toward increasing local food production in the State.

Your Committees have amended this measure by:

- (1) Extending the deadline for the Department of Agriculture to submit its report on its crop performance testing trials from twenty days prior to the convening of the Regular Session of 2019 to twenty days prior to the convening of the Regular Session of 2020; and
- (2) Providing that the appropriation shall not lapse until June 30, 2020.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2894, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2894, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).
Higher Education: Ayes, 5. Noes, none. Excused, none.

SCRep. 2133 (Joint) Agriculture and Environment and Higher Education on S.B. No. 2124

The purpose and intent of this measure is to appropriate funds to the Hawaii Ant Lab of the Pacific Cooperative Studies Unit of the University of Hawaii, to support mitigation of the little fire ant.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Department of Agriculture; Office of the Mayor of the County of Hawaii, Coordinating Group on Alien Pest Species; Hawai'i Farm Bureau; Ka Ohana O Na Pua; Donkey Mill Art Center; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Hawaii Cattlemen's Council, Inc.; and nine individuals.

Your Committees find that the little fire ant, *Wasmannia auropunctata*, threatens native biodiversity, alters tropical ecosystems, impairs human health, impedes tourism, diminishes agricultural productivity, mars horticultural sales, and accordingly ranks among the world's worst invasive species. Within the State, the County of Hawaii has been affected most by the little fire ant. Your Committees therefore support all efforts to mitigate and eradicate the little fire ant, especially in the West Hawaii region.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2124 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).

Higher Education: Ayes, 5. Noes, none. Excused, none.

SCRep. 2134 (Joint) Agriculture and Environment and Labor on S.B. No. 2563

The purpose and intent of this measure is to appropriate funds for the operations of the K-12 agriculture workforce development pipeline initiative.

Your Committees received testimony in support of this measure from the Department of Education; Department of Labor and Industrial Relations; Department of Agriculture; Councilmember Yuki Lei Sugimura of the Maui County Council; Waipahu Intermediate School FFA; Hawaii State Teachers Association; Land Use Research Foundation of Hawaii; Hawai'i Farm Bureau; Hawaii Coffee Association; Maui County Farm Bureau; O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i; Hawaii Association of Future Farmers of America; Hawaii Crop Improvement Association; Hawaii Cattlemen's Council, Inc.; and thirty-four individuals.

Your Committees find that Act 229, Session Laws of Hawaii 2016, implemented the recommendation of the Hawaii Agriculture Workforce Advisory Board to establish the K-12 agriculture workforce development pipeline initiative to conduct training on all islands for teachers and school administrators in agricultural self-sufficiency. Your Committees also find that financial support for the initiative is in the best interest of the State as it promotes the expansion and development of the State's agricultural workforce and industry.

Your Committees recommend that in addition to focusing on K-12 students, the Agriculture Advisory Board also examine the immediate issues preventing adult individuals from entering the agricultural workforce.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2563 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 5. Noes, none. Excused, none.

Labor: Ayes, 3. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 2135 Transportation and Energy on S.B. No. 2122

The purpose and intent of this measure is to clarify the existing exemption for public metered parking that is enjoyed by electric vehicles users and creating an electric vehicle exemption specifically for non-metered parking at state airports under the jurisdiction of the Department of Transportation.

Your Committee received testimony in support of this measure from the Department of Transportation. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that Hawaii is committed to reducing the dependence on fossil fuels, and that encouraging the purchase and use of electric vehicles via incentives will help Hawaii achieve this goal. Your Committee further finds that although the twenty-four-hour parking fee exemption for electric vehicles at state airports will reduce overall parking fee revenues, your Committee believes that this measure strikes an appropriate balance between incentive and equity.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2122, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2122, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Shimabukuro).

SCRep. 2136 Transportation and Energy on S.B. No. 2255

The purpose and intent of this measure is to authorize the issuance of general obligation bonds for the planning, design, and construction of the Central Maui Transit Hub in response to the County of Maui Department of Transportation's lease at its existing hub expiring in 2020.

Your Committee received testimony in support of this measure from County of Maui Department of Transportation, Mayor's Office of the County of Maui, and Maui County Council. Your Committee received comments on this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee finds that maintaining the "hub and spoke" nature of the Maui public transportation system requires the construction of a new hub close to the existing hub with easy access. The new hub is located near senior rental units, low income rentals, offices, shops, restaurants, medical facilities, and the library. Your Committee emphasizes how important the central Maui transit hub project is to Maui's public transportation system, and that moving forward with this project ensures citizens are able to maintain vital connections.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2255 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Shimabukuro).

SCRep. 2137 Transportation and Energy on S.B. No. 2245

The purpose and intent of this measure is to authorize the issuance of general obligation bonds for the design, plans, material, construction, and equipment for an extension of the Lahaina Bypass in order to alleviate traffic congestion and safety concerns in West Maui.

Your Committee received testimony in support of this measure from the Department of Transportation, Maui County Council, and one individual.

Your Committee finds that the Lahaina Bypass is necessary in the Department of Transportation's Long-Range Plan to meet the future regional transportation needs for West Maui. The Lahaina Bypass will support the economic viability of West Maui and alleviate the traffic experienced by residents and visitors. Phase 1B-2 is currently under construction, and this measure will fund Phase 1C of the proposed Lahaina Bypass.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2245 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Shimabukuro).

SCRep. 2138 Transportation and Energy on S.B. No. 2100

The purpose and intent of this measure is to:

- (1) Amend the current renewable energy technology system tax credit by changing the language to focus on solar and wind energy properties, including energy storage properties in the tax credit, and phasing out the percentage of the solar energy property and energy storage property costs that can be used as a tax credit; and
- (2) Establish within the Department of Transportation a demonstration project for building energy efficiency designs that assist the State in reaching net zero emissions.

Your Committee received testimony in support of this measure from the Department of Transportation, Ulupono Initiative, and one individual. Your Committee received testimony in opposition to this measure from The Alliance for Solar Choice and Hawaii Solar Energy Association. Your Committee received comments on this measure from the Department of Taxation; Department of Business, Economic Development, and Tourism; Tax Foundation of Hawaii; Kauai Island Utility Cooperative; Distributed Energy Resource Council of Hawaii; and Tesla.

Your Committee finds that this measure as currently written would have a negative impact on the renewable energy construction industry. As raised in testimony, changing the credit to apply to properties limits the amount of credits taxpayers can receive, as commercial projects often place multiple systems on a single property, and the timing on how the credits are phased out could lead to an unforeseen increase in costs for projects.

Your Committee also finds that there is currently another measure being proposed that establishes a demonstration project for building energy efficiency designs.

Your Committee has amended this measure by:

- (1) Reinstating the "systems" language, as opposed to amending the credit to apply to "properties";
- (2) Extending the date that the credits start decreasing from January 1, 2022, to January 1, 2024;
- (3) Allowing solar energy systems that have executed a customer contract prior to June 30, 2018, to receive a credit equal to thirty-five per cent of the basis, up to a cap, as long as the property is installed and first placed in service by December 31, 2019;

- (4) Deleting part II which would have established a demonstration project for building energy efficient designs; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2100, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2100, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Shimabukuro).

SCRep. 2139 Transportation and Energy on S.B. No. 2528

The purpose and intent of this measure is to authorize the issuance of limited purpose driver's license, limited purpose provisional driver's license, or limited purpose instruction permits to applicants who voluntarily choose not to obtain a state civil identification card that is REAL ID-compliant.

Your Committee received testimony in support of this measure from the Department of Transportation, Hawaii Civil Rights Commission, and Filipina Advocacy Network.

Your Committee finds that this measure addresses the need for Hawaii's law to match the Department of Homeland Security's Final Rule that allows for only one REAL ID-compliant credential, whether a driver's license or state civil identification card.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2528 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Shimabukuro).

SCRep. 2140 Transportation and Energy on S.B. No. 2101

The purpose and intent of this measure is to expand the renewable energy technology tax credit to include a tax credit for ocean thermal energy conversion systems that are constructed for the purpose of research and development.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities, Ulupono Initiative, and one individual. Your Committee received comments on this measure from the Department of Taxation, Natural Energy Laboratory of Hawaii Authority, and Tax Foundation of Hawaii.

Your Committee finds that ocean thermal energy conversion systems are a source of renewable energy, producing electricity using the temperature difference between deep cold water and warm tropical surface waters. Providing a tax credit for these systems will encourage the use of renewable energy systems and help Hawaii reach its renewable energy goals.

However, your Committee finds that this measure, as written, can create issues due to the ambiguity of some language. Interpreting what constitutes an ocean thermal energy conversion "system" can lead to taxpayers attempting to find loopholes, to receive more tax credits than are allowable.

Your Committee has amended this measure by:

- (1) Changing references of "system" to "facility" in the context of ocean thermal energy conversion technologies; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2101, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2101, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Shimabukuro).

SCRep. 2141 Water and Land on S.B. No. 2672

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including goal eleven, sustainable cities and communities, of the seventeen United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Department of Human Services, Department of Agriculture, Office of Planning, Environmental Caucus of the Democratic Party of Hawai'i, Hawaiian Civic Club of Honolulu, Airport Concessionaires Committee, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, The Nature Conservancy, Hawaii Institute for Human Rights, and one individual. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Office of Environmental Quality Control of the Department of Health.

Your Committee finds that Hawai'i has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that a priority of the Senate for the Regular Session of 2018 is to adopt the United Nations' Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal eleven, sustainable cities and communities, into state law.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Office of Planning that changes the placement of Sustainable Development Goal eleven from chapter 344, Hawaii Revised Statutes, relating to state environmental policy, to chapter 226, Hawaii Revised Statutes, relating to the Hawaii State Planning Act; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2672, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2672, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2142 Water and Land on S.B. No. 2675

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including goal fourteen, life below water, of the seventeen United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Department of Agriculture, Office of Planning, Environmental Caucus of the Democratic Party of Hawai'i, Hawaiian Civic Club of Honolulu, Hui O Ho'ohonua, Sierra Club of Hawaii, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, The Nature Conservancy, Hawaii Institute for Human Rights, and three individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Office of Environmental Control of the Department of Health and Hawaii Seafood Council.

Your Committee finds that Hawai'i has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that a priority of the Senate for the Regular Session of 2018 is to adopt the United Nations' Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal fourteen, life below water, into state law.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Office of Planning that changes the placement of Sustainable Development Goal fourteen from chapter 344, Hawaii Revised Statutes, relating to state environmental policy, to chapter 226, Hawaii Revised Statutes, relating to the Hawaii State Planning Act; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2675, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2675, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2143 Water and Land on S.B. No. 2676

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including goal fifteen, life on land, of the seventeen United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Department of Agriculture, Office of Planning, Environmental Caucus of the Democratic Party of Hawai'i, Hawaiian Civic Club of Honolulu, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Sierra Club of Hawaii, The Nature Conservancy, Hawaii Institute for Human Rights, and two individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Office of Environmental Quality Control of the Department of Health and Hawai'i Farm Bureau.

Your Committee finds that Hawai'i has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that a priority of the Senate for the Regular Session of 2018 is to adopt the United Nations' Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal fifteen, life on land, into state law.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Office of Planning that changes the placement of Sustainable Development Goal fifteen from chapter 344, Hawaii Revised Statutes, relating to state environmental policy, to chapter 226, Hawaii Revised Statutes, relating to the Hawaii State Planning Act; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2676, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2676, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2144 Water and Land on S.B. No. 2331

The purpose and intent of this measure is to appropriate funds to the Department of Land and Natural Resources to improve Nā Ala Hele, the Hawaii statewide trail and access program, by improving access to and maintaining state controlled recreational trails statewide and promoting hiker safety and hiker etiquette education and outreach.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Hawaiian Civic Club of Honolulu, Sierra Club of Hawai'i, and three individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the Department of Land and Natural Resources has a statewide inventory of one hundred twenty-eight trail-and-road features spanning approximately eight hundred fifty-five miles and keeping up with the rising demand for trail use remains a constant challenge for the Department. Heavy use and limited operational capacity have curbed the level of maintenance on trail features. This measure provides additional funds to manage these trails to keep pace with the growing demand for trail use and ensure public safety.

Your Committee further finds that along with the popularity of wilderness hiking has come a growing number of mountain rescues occurring each year. Various internet adventure websites have promoted wrong or misleading information that places hikers in danger, leading to uninformed hikers getting injured while on the trails, or hiking on trails that are unmaintained or prohibited. This measure promotes hiker safety education to decrease the number of rescues.

Lastly, your Committee finds that the popularity of hiking has also resulted in the need for hiker etiquette education and outreach. For example, some trails that are located in residential neighborhoods have gained immense popularity and have resulted in a dramatic increase in complaints regarding naive or disrespectful trail users. As a result, some frustrated neighborhood residents have proposed the closure of some trail heads to prevent the nuisance that certain hikers have caused. By appropriating funds for hiker etiquette education and outreach, this measure helps to ensure that trails are kept open for use.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$1,800,000 in general revenue for fiscal year 2018-2019 to be expended by the Department of Land and Natural Resources to improve Nā Ala Hele, the Hawaii statewide trail and access program;
- (2) Deleting language that would have delayed funds necessary to improve Nā Ala Hele from being included in the base budget of the Department of Land and Natural Resources until the beginning of the 2019-2020 fiscal year; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2331, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2331, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2145 Water and Land on S.B. No. 2561

The purpose and intent of this measure is to make an appropriation to the Department of Land and Natural Resources for the operational expenses and staffing costs of the Hawaii Association of Conservation Districts.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Department of Agriculture; Maui County Councilmember Yuki Lei Sugimura; Hawaiian Civic Club of Honolulu; Pūlama Lāna'i; Hawaii Aquaculture & Aquaponics Association; Hawaii Cattlemen's Council, Inc.; Hawaii Association of Conservation Districts; Hawaii Crop Improvement Association; Maui County Farm Bureau; Local Food Coalition; Hawaii Coffee Association; Hawai'i Farm Bureau; and forty individuals.

Your Committee finds that the Hawaii Association of Conservation Districts is composed of sixteen districts representing every community on all major islands of Hawaii. Existing law authorizes the Soil and Water Conservation Districts to operate as government subdivisions to educate the public and construct and maintain conservation projects and programs in Hawaii. Soil and Water Conservation Districts have worked to improve Hawaii's environment and economy through collaborative efforts with partners and government agencies that have brought millions of dollars to Hawaii to improve farm practices, reduce erosion, improve ocean and drinking water quality, fight invasive species, improve public safety, protect property, conserve water, and strengthen the economy. The Soil and Water Conservation Districts also provide educational and community support for conservation awareness. The Districts participate in resource conservation and development projects and statewide high school programs and also introduce conservation principles in elementary schools. However, the Soil and Water Conservation Districts do not have a base budget appropriation under the Department of Land and Natural Resources' budget. Therefore, this measure provides the necessary funding for the Soil and Water Conservation Districts to continue their important activities.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2561, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2561, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2146 Water and Land on H.B. No. 1270

The purpose and intent of this measure is to:

- (1) Require the Board of Land and Natural Resources to enter into negotiations to acquire the property identified as Tax Map Key: (3) 6-8-001:030 Kamuela, Hawaii, pursuant to its statutory authority and in consultation with the Senate President and Speaker of the House of Representatives, to acquire land having value as a resource to the State; and
- (2) Appropriate funds from the land conservation fund to purchase the property from Hanano Nursery, Inc.

Your Committee received testimony in support of this measure from the Department of Agriculture, Oahu County Committee Legislative Priorities Committee of the Democratic Party of Hawaii, and Ho'omanapono Political Action Committee. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that the property identified as Tax Map Key: (3) 6-8-001:030 Kamuela, Hawaii, is approximately ten acres in size and located in a prime agricultural region. While its primary use appears to be nursery-related, the property may be used for diversified agriculture. According to the Department of Land and Natural Resources, if acquired, the property will be used for the expansion of nursery facilities with priority given to the development and growing of disease-resistant 'Ōhi'a. Furthermore, the Department prefers to share the property with the Department of Agriculture to enable the Department of Agriculture to use a substantial portion of the property as a host site for relocating its agricultural facilities. This measure will enable the Department of Land and Natural Resources to acquire this prime property.

Your Committee notes that the Department of Land and Natural Resources requests a funding source other than the land conservation fund be used for the acquisition of the property. Furthermore, the Department testified that this type of land acquisition is not suitable for legacy lands because the property will be used for operational, non-legacy land purposes.

Accordingly, your Committee has amended this measure by:

- (1) Removing language that directs the Board of Land and Natural Resources to acquire property pursuant to its statutory authority and in consultation with the Senate President and Speaker of the House of Representatives, to acquire land having value as a resource to the State under section 173A-4, Hawaii Revised Statutes, and inserting language that requires the Board to acquire the property at a purchase price that does not exceed the appraised value of the property as appraised by the Department of Land and Natural Resources;
- (2) Removing the appropriation from the land conservation fund to purchase the property and inserting language that authorizes the Director of Finance to issue general obligation bonds for the purchase of the property;
- (3) Adding an appropriation for the Board of Land and Natural Resources to engage in negotiations and conduct due diligence of the property;
- (4) Adding language that directs all unencumbered monies from the general obligation bond appropriations for the purchase of the property to lapse as of June 30, 2020; and
- (5) Changing the effective date from July 1, 2050, to July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1270, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1270, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Gabbard, Inouye).

SCRep. 2147 (Joint) Higher Education and Hawaiian Affairs on S.B. No. 2320

The purpose and intent of this measure is to:

- (1) Establish an undergraduate health sciences academy to be administered by the University of Hawai'i West O'ahu to increase recruitment and retention of Native Hawaiian, Pacific Islander, and first generation college students;
- (2) Require the University of Hawai'i West O'ahu to submit a report every two years to the Legislature regarding educational outcomes; and
- (3) Appropriate funds for permanent faculty and staff positions at the undergraduate health sciences academy.

Your Committees received testimony in support of this measure from the Department of Human Services, University of Hawai'i System, Department of Health, Native Hawaiian Health Coalition, Hawai'i Public Health Institute, Papa Ola Lokahi, WCRC, Hawaiian Affairs Caucus – Democratic Party of Hawaii, Oahu County Legislative Priorities Committee of the Democratic Party of Hawai'i, Kamehameha Schools, and numerous concerned individuals.

Your Committees find that current data suggests that Native Hawaiians are less likely to attend college in comparison to other ethnic groups due to low levels of preparation and inadequate finances. For Native Hawaiian students who attend college, graduation and retention rates are significantly lower than the general student population.

Your Committees further find that multiple studies testing for factors leading to retention have identified that the more involved Native Hawaiian students are in school activities and the more interaction they have with faculty and their peers, the more likely they are to persevere in their higher education. The development of a health sciences academy, with a focus on Native Hawaiian student retention, would target integration of the student and their family in school activities, as well as serve as a model for other underrepresented groups.

Your Committees have amended this measure by:

- (1) Deleting the reference to “early college” in the title of the new section added to part IV, subpart M, of chapter 304A, Hawaii Revised Statutes;
- (2) Specifying that the appropriated funds shall be for the permanent faculty and staff positions at the undergraduate health sciences academy to be administered by the University of Hawai‘i West Oahu and John A. Burns School of Medicine; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2320, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2320, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education: Ayes, 4. Noes, none. Excused, 1 (Kim).

Hawaiian Affairs: Ayes, 4. Noes, none. Excused, 1 (Green).

SCRep. 2148 (Joint) Higher Education and Agriculture and Environment on S.B. No. 2075

The purpose and intent of this measure is to appropriate funds for three full-time equivalent (3.0 FTE) positions and operating expenses of the sustainable and organic agriculture program administered by the University of Hawai‘i College of Tropical Agriculture and Human Resources.

Your Committees received testimony in support of this measure from the University of Hawai‘i System; Department of Agriculture; Oahu County Legislative Priorities Committee of the Democratic Party of Hawai‘i; We Are One, Inc.; Kokua Hawaii Foundation; Polanui Hiu CMMA; Maui Hemp Institute; Kakalina Farms; A‘a Li‘i Farm; Civic Education Council; Kulahaven Farms, LLC; Maui Farmers Union United; Farm Lovers Farmers Markets; Hawaii Farmers Union United; Maui County Farm Tours; Beyond Organic Consulting, Inc.; Hawai‘i Farm Bureau; Ka Ohana O Na Pua; HFUU; and numerous concerned individuals.

Your Committees find that the sustainable and organic agriculture program administered by the University of Hawai‘i College of Tropical Agriculture and Human Resources is a part of the world’s largest nontraditional education system - the cooperative extension system. Across Hawai‘i, farmers are experimenting with different ways of producing agricultural products in ways that are sustainable and beneficial to the social, economic, and environmental well-being of farm families and the rural communities in which they live. However, without adequate funding and staff, the sustainable and organic agriculture program is unable to fully meet its goals of increasing farm income, promoting environmental stewardship, and promoting stable and prosperous farm families and communities. Therefore, it is essential that the State support sustainable agricultural practices to ensure Hawai‘i’s diversified agricultural industry.

As affirmed by the records of votes of the members of your Committees on Higher Education and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2075 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education: Ayes, 5. Noes, none. Excused, none.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2149 Commerce, Consumer Protection, and Health on S.B. No. 2494

The purpose and intent of this measure is to:

- (1) Update the requirements for apprenticeship and licensure of elevator mechanics, including examination, license renewal, continuing education, scope of work, remote interaction, and qualifications for licensure; and
- (2) Clarify the powers and duties of the Elevator Mechanics Licensing Board and requirements for temporary permits.

Your Committee received testimony in support of this measure from the International Union of Elevator Constructors, Local Union No. 126. Your Committee received testimony in opposition to this measure from Access Lifts of Hawaii, Inc. Your Committee received comments on this measure from the Elevator Mechanics Licensing Board.

Your Committee finds that in recent years, technology affecting the elevator industry has advanced exponentially. Elevator mechanics must demonstrate and exhibit continued competence in their craft to keep pace with these innovations, including staying current with the latest codes and newest technology affecting the industry. However, because the law governing the licensure of elevator mechanics has not been updated in over ten years, the existing requirements for licensure as an elevator mechanic do not coincide with the standards and levels of technology that are currently being introduced and installed. This measure therefore strengthens the State’s elevator mechanics licensing law by adding and clarifying certain requirements for licensure, including continuing education, scope of work, remote interaction, and qualifications.

Your Committee has heard the concerns raised in testimony that employees of certain small businesses in Hawai‘i’s elevator mechanic industry work solely on a specific set of conveyances, such as Americans with Disabilities Act platform lifts or stairway lifts, and do not perform work on commercial elevators, escalators, or similar conveyances. This measure would require these employees to be fully licensed as elevator mechanics, even though they do not install, service, or repair any sort of commercial conveyance. Amendments to this measure are therefore needed to address these concerns, as well as other concerns raised by the Elevator Mechanics Licensing Board.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying the examination requirements for applicants for licensure as an elevator mechanic;
- (2) Clarifying the licensure renewal and continuing education requirements for licensed elevator mechanics;

- (3) Authorizing the Elevator Mechanics Licensing Board to conduct random audits to determine licensee compliance with the continuing education requirements;
- (4) Clarifying elevator mechanics' scope of work;
- (5) Clarifying the exemptions from licensure as an elevator mechanic, including those who install, repair, or remove a platform lift or stairway lift within a private residence not accessible to the general public or other occupants in the building;
- (6) Clarifying the definitions of "remote interaction" and "apprentice elevator mechanic";
- (7) Clarifying the minimum qualifications for licensure as an elevator mechanic;
- (8) Clarifying the temporary permit requirements applicable to apprentice elevator mechanics;
- (9) Specifying that the license renewal, continuing education, and qualifications for licensure requirements shall take effect on July 1, 2020; and
- (10) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2494, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2494, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 2150 Commerce, Consumer Protection, and Health on S.B. No. 2493

The purpose and intent of this measure is to delay the implementation of the producer licensing requirements amended by Act 152, Session Laws of Hawaii 2017, until July 1, 2021.

Your Committee received testimony in support of this measure from the Hawaii Insurers Council and National Association of Insurance and Financial Advisors – Hawaii. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that, among other things, Act 152, Session Laws of Hawaii 2017 (Act 152), conforms the State's producer licensing requirements to the National Association of Insurance Commissioners' Producer Licensing Model Act by eliminating producer-to-producer appointments. Although Hawaii is the only state in the country with producer-to-producer appointments, the repeal of this appointment process is a major change in the way insurance agents, also known as producers, are and have been contracted, as it means that every producer contract must be re-executed between a producer and an insurance company. According to testimony received by your Committee, for most active producers, this may not present an issue, but for producers who are not active, insurance companies will have to pursue them to execute a new contract. This measure delays the implementation requirements for producer licensing required by Act 152, which will provide insurance companies with ample time to initiate the new producer appointments. However, your Committee notes that during discussions before your Committee, interested industry stakeholders indicated a revised effective date for these requirements was acceptable.

Accordingly, your Committee has amended this measure by:

- (1) Delaying the implementation of the producer licensing requirements until January 1, 2020, rather than July 1, 2021; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2493, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2493, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 2151 Commerce, Consumer Protection, and Health on S.B. No. 2354

The purpose and intent of this measure is to require barber, beauty operator, and instructor licensees under the Board of Barbering and Cosmetology to complete a one-time, three-hour training program on intimate partner violence awareness and education.

Your Committee received testimony in support of this measure from the Office of the Prosecuting Attorney, County of Hawai'i; Commission on the Status of Women; Advocacy Committee, YWCA O'ahu; Planned Parenthood Votes Northwest and Hawaii; YWCA O'ahu; American Association of University Women - Hawai'i; Domestic Violence Action Center; Hawaii State Coalition Against Domestic Violence; Women's Caucus of the Democratic Party of Hawai'i; and eight individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Board of Barbering and Cosmetology.

Your Committee finds that intimate partner violence is prevalent in every community and affects people regardless of age, socioeconomic status, sexual orientation, gender, race, religion, or nationality. Professionals in the grooming and beauty industry may have a unique opportunity to notice signs of abuse in their clients. These professionals often enjoy close relationships with their clients, which can put a grooming or beauty professional in the position to provide advice, resource information, and assistance.

The Hawaii State Coalition Against Domestic Violence indicated in testimony before your Committee that the Coalition met with the members of the Board of Barbering and Cosmetology and came to an agreement that the Coalition would provide a one-hour training and overview, either in person or via webinar, with an offer to the Board's licensees and applicants for additional training if a licensee or applicant is interested. This training will equip barbering and cosmetology licensees and applicants with a basic knowledge about intimate partner violence and provide them with resources to offer their clients. According to the Coalition, the expectation is not for these licensees and applicants to become advocates or experts in domestic violence. Rather, the one-hour training and overview merely gives these individuals information about what to watch out for, the general dynamics of intimate partner violence, and where resources on this subject can be found.

Accordingly, your Committee has amended this measure by clarifying that barber, beauty operator, and instructor licensees under the Board of Barbering and Cosmetology are required to complete a one-time, one-hour, rather than three-hour, training program on intimate partner violence.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2354, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2354, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 2152 Commerce, Consumer Protection, and Health on S.B. No. 2511

The purpose and intent of this measure is to appropriate funds for and establish two full-time equivalent positions within the Department of Health's Office of Language Access to allow the Office of Language Access to fully perform its statutory duties.

Your Committee received testimony in support of this measure from the Hawaii State Judiciary Legislative Coordinating Office; Department of Health Office of Language Access; State Health Planning and Development Agency; Volunteer Legal Services Hawaii; Hawaii TESOL; Hawaii Friends of Civil Rights; Filipino Chamber of Commerce of Hawaii; Filipino American Citizens League; The Filipino Community Center, Inc.; Filipina Advocacy Network; Filipinos for Affirmative Action; Ho'omanapono Political Action Committee; Tinalak Filipino Education Council; and seven individuals.

Your Committee finds that the Office of Language Access provides state agencies with technical assistance including needs assessment, help with language access plans, training, work with translators and interpreters, and data collection. Your Committee further finds that the Office of Language Access is underfunded and understaffed to the point of being unable to complete its statutory duties. Consequently, many state agencies have been unable to fully implement their language access plans, denying meaningful access to individuals limited in English proficiency. Your Committee further finds that approximately twelve percent of Hawaii residents speak English "less than very well". Your Committee finds that the funds appropriated and positions created by this measure will allow the Office of Language Access to provide a full level of support to state agencies, fulfill its statutory duties, and provide genuine access to state services to many of Hawaii's residents.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2511, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2511, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 2153 (Joint) Judiciary and Commerce, Consumer Protection, and Health on S.B. No. 2890

The purpose and intent of this measure is to:

- (1) Amend the general excise tax law by adding a definition for "marketplace provider"; and
- (2) Provide that a person with no physical presence in the State shall be considered to be engaged in business in the State if, in any year, the person has gross receipts attributable to transactions in the State totaling \$100,000 or more.

Your Committees received testimony in support of this measure from the Retail Merchants of Hawaii, thirteen local business owners, and one individual. Your Committees received comments on this measure from the Department of the Attorney General, Department of Taxation, Tax Foundation of Hawaii, and Chamber of Commerce Hawaii.

Your Committees find that internet-based businesses located outside of Hawaii that sell goods and services to persons located in the State are frequently exempt from the general excise tax. This puts local businesses at a significant competitive disadvantage and harms the economy of the State. This measure will ensure that internet-based businesses who generate sufficient income from the business of Hawaii's residents are taxed on that income by the State.

Your Committees have heard testimony expressing concerns that this measure is ambiguous as to whether it applies only to the internet-based seller of goods and services or to the third-party "marketplace provider" as well as the seller. Your Committees find that this issue raises concerns that merit further consideration and requests that your Committee on Ways and Means further examine this concern raised by the testifiers on this measure.

Your Committees have amended this measure by:

- (1) Providing that a person shall be considered to be engaged in business in the State if the person has gross receipts attributable to transactions in the State totaling \$100,000 or more in the current or immediately preceding calendar year instead of any year; and
- (2) Inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Judiciary and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2890, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2890, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

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

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Tokuda).

SCRep. 2154 Transportation and Energy on S.B. No. 2996

The purpose and intent of this measure is to establish within the Department of Transportation for administrative purposes, a separate Hawaii Airports Corporation that is responsible for managing and operating the State's airports and aeronautical facilities, and is managed by a chief executive officer and board of directors.

Your Committee received testimony in support of this measure from the Office of the Governor, Department of Transportation, Hawaii Tourism Authority, Maui County Council, Hawaii Lodging and Tourism Association, Kohala Coast Resort Association, Waikiki Improvement Association, Enterprise Holdings, Airport Concessionaires Committee, Kona-Kohala Chamber of Commerce, Building Industry Association of Hawaii, Hawaiian Airlines, Airlines Committee of Hawaii, Maui Hotel and Lodging Association, Chamber of Commerce Hawaii, Fairmont Orchid, Hawaii Business Roundtable, American Council of Engineering Companies, Pulama Lanai, Waikiki Resort Hotel, and twenty-two individuals. Your Committee received testimony in opposition to this measure from the Office of Hawaiian Affairs; American Institute of Architects; United Public Workers, Local 646, AFL-CIO; Hawaii Section American Society of Civil Engineers; and two individuals. Your Committee received comments on this measure from the Department of the Attorney General; State of Hawaii Procurement Office; Subcontractors Association of Hawaii; Painting Industry of Hawaii Labor Management Cooperation Trust Fund; Hawaii Tapers Market Recovery Trust Fund; Hawaii Glaziers, Architectural Metal Glassworkers Local Union 1889; AFL-CIO Stabilization Trust Fund; Carpet, Linoleum and Soft Tile Local Union 1926 Market Recovery Trust Fund; and one individual.

Your Committee finds that the airports have long suffered from having its responsibilities divided up among multiple departments and agencies which sometimes have conflicting goals and priorities. Your Committee believes that a separate Airports Corporation, managed by a chief executive officer and a board of directors, will be better suited to operate the airports and will follow what other states are doing with their airports. Your Committee notes that this transition will be done without the use of taxpayer dollars.

However, your Committee notes that there are concerns with this measure as currently written, including:

- (1) The fiduciary obligations of the State in ensuring ceded lands are productive and maximizing the benefits for Native Hawaiian and public beneficiaries;
- (2) The procurement process the Airports Corporation will have in place and whether the process will encourage competition and prevent irregularities, favoritism, collusion, and fraud; and
- (3) Whether the Airports Corporation can satisfy its responsibilities with regard to bonds, certificates, and obligations.

Your Committee has amended this measure by:

- (1) Adding language to require that in an invitation for bid, the Hawaii Airports Corporation shall require all bids to identify any joint contractor or subcontractor and the nature and scope of work to be performed; provided that bids that do not meet this requirement may still be accepted if certain criteria are met;
- (2) Including language requiring the Hawaii Airports Corporation to provide an annual accounting of all receipts from land described in section 5(f) of the Admission Act and clarifying that lands to which the Hawaii Airports Corporation holds title are "public lands" under chapter 171, Hawaii Revised Statutes, for that purpose;
- (3) Clarifying that the Hawaii Airports Corporation is authorized to enter into financing agreements described in chapter 37D, Hawaii Revised Statutes;
- (4) Upon the recommendation of the Department of the Attorney General, inserting language as recommended from the bond counsel, to assure that certain obligations are met with regard to certain Department of Transportation revenue bonds, special facility revenue bonds, and certificates of participation, as well as adding language to clarify that certain obligations of the Department of Transportation remain enforceable against the Department of Transportation until the Hawaii Airports Corporation has assumed the operations and assets necessary to satisfy those obligations;
- (5) Clarifying that monies in the passenger facility charge special fund and rental motor vehicle customer facility charge special fund may also be held outside of the state treasury;
- (6) Upon the recommendation of the Department of the Attorney General, adding language to recognize that the Hawaii Airports Corporation's operating and capital improvement budgets, as well as the source of bond funding, may come from multiple means or sources;
- (7) Upon the recommendation of the Department of the Attorney, deleting duplicative language in section 16 relating civil service positions as almost identical language is found in section 20; and

(8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2996, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2996, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Harimoto). Noes, none. Excused, 1 (English).

SCRep. 2155 Transportation and Energy on S.B. No. 2529

The purpose and intent of this measure is to provide protections to bicyclists by requiring vehicles that are overtaking a bicycle proceeding in the same direction to allow at least a three-foot separation between the vehicle and the bicyclist.

Your Committee received testimony in support of this measure from the Department of Transportation, Honolulu Police Department, Hawaii Bicycling League, Maui Bicycling League, Peoples Advocacy for Trails Hawaii, Hawaii Cycling Club, Blue Zones Project, American Diabetes Association, Hawaii Strategic Highway Safety Plan, Sustainable Transportation Coalition of Hawaii, and eighty-one individuals.

Your Committee finds that bicycling is a healthy activity and alternative to commuting by vehicle and prevents exposure of harmful greenhouse gas emissions to the environment. In order to encourage individuals to bike, providing ample protections to bicyclists is of utmost importance. Requiring drivers to provide a defined space between the driver's vehicle and a bicyclist when the vehicle is overtaking the bicyclist is one step in ensuring bicyclists are safe when they bike on the side of the road.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2529 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2156 Transportation and Energy on S.B. No. 80

The purpose and intent of this measure is to amend the law relating to transportation.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by deleting its contents and replacing it with an emergency appropriation to relocate the "I Heart Radio" aerial so that it will not obstruct the navigable airspace above and around the Daniel K. Inouye International Airport.

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 80, as amended herein, and recommends that it be recommitted to your Committee on Transportation, in the form attached hereto as S.B. No. 80, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2157 Judiciary on S.B. No. 2582

The purpose and intent of this measure is to add certain cases of negligent homicide to the felonies that may be subject to an extended term of imprisonment.

Your Committee received testimony in support of this measure from the Department of Transportation; United Public Workers, AFSCME, Local 646, AFL-CIO; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Mothers Against Drunk Driving Hawaii; Hawaii Regional Council of Carpenters; and forty-six individuals.

Your Committee finds that Hawaii is above the national average for persons who report driving after drinking too much, as well as the rate of deaths for all ages due to crashes involving a drunk driver. There has also recently been an increase in fatal automotive crashes in which the driver has failed to render aid after the crash. Such circumstances result in additional extreme distress for family and friends of the victim of the offender's criminal conduct. This measure will provide for extended terms of imprisonment as a deterrent to driving while under the influence and failing to render aid in the event of a collision.

Your Committee has amended this measure by inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2582, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2582, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2158 Judiciary on S.B. No. 2344

The purpose and intent of this measure is to automatically impose a restraining order upon parties filing for annulment, divorce, or separation to preserve the financial assets of the parties and their dependents.

Your Committee received testimony in support of this measure from Maui County Councilmember Yuki Lei Sugimura. Your Committee received testimony in opposition to this measure from the Domestic Violence Action Center and one individual.

Your Committee finds that family court congestion can be reduced by providing for orders that automatically take effect when parties file for annulment, divorce, or separation. Automatically imposed restraining orders to preserve the financial assets of parties and their dependents will help to create a more level playing field for unrepresented parties, parties who are unfamiliar with the court system and unaware of their legal rights and obligations, and parties who have a significant disparity in finances and resources. Your Committee has heard testimony expressing diverse concerns with this measure, and encourages further discussion and consensus among stakeholders as this measure proceeds through the legislative process.

Your Committee has amended this measure by inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2344, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2344, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kim).

SCRep. 2159 (Joint) Labor and Economic Development, Tourism, and Technology on S.B. No. 2397

The purpose and intent of this measure is to establish a temporary telecommuting task force to develop incentives and recommendations to encourage and expand telecommuting opportunities in the public and private sectors.

Your Committees received comments on this measure from the Department of Human Resources Development. Your Committees received comments on this measure from the Legislative Reference Bureau and Common Cause Hawaii.

Your Committees find that the dependence of workers on automobiles for the daily commute to work increases traffic-related congestion on Hawaii's roadways, reduces hours in which employees may be productive on the job, causes employees to spend time commuting rather than with family, and results in the people of Hawaii becoming more dependent on foreign fossil fuel sources, which results in increased carbon emissions. Your Committees also find that telecommuting provides an opportunity for employers to increase employee productivity, decrease use of employee sick leave, increase the labor pool, and improve employee retention; therefore, your Committees find that Hawaii should promote efforts to adopt telecommuting as a workplace alternative.

Your Committees have amended this measure by:

- (1) Requiring the telecommuting task force to submit a draft report to the Legislative Reference Bureau no later than June 30, 2019, to ensure that the Bureau has sufficient time to complete its work on the final report without adversely impacting its ability to provide core services to the Legislature;
- (2) Deleting language that exempted the telecommuting task force from chapter 92, Hawaii Revised Statutes, relating to public agency meetings and records; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Labor and Economic Development, Tourism, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2397, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2397, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.
Labor: Ayes, 4. Noes, none. Excused, 1 (English).
Economic Development, Tourism, and Technology: Ayes, 5. Noes, none. Excused, none.

SCRep. 2160 Judiciary on S.B. No. 2145

The purpose and intent of this measure is to amend the deadlines for filing nomination papers, nominations, and notification to the chief election officer with respect to a vacancy in the State Senate.

Your Committee received testimony in support of this measure from the Office of Elections. Your Committee received testimony in opposition to this measure from Ho'omana Pono, LLC.

Your Committee finds that the change of date in the primary election that occurred in 2010 resulted in a situation in which candidates for office would not be able to withdraw their nomination and instead file a nomination paper to fill a vacancy in the State Senate if such a vacancy occurs after the close of candidate filing. This measure will allow candidates for office in such situations timely notice to consider or withdraw nomination papers and file a nomination paper for the Senate vacancy should they choose to do so.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2145, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2145, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kim).

SCRep. 2161 Judiciary on S.B. No. 2180

The purpose and intent of this measure is to clarify the definition of an included offense to expressly include offenses charged via felony complaint.

Your Committee received testimony in support of this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu and Department of the Prosecuting Attorney of the County of Maui.

Your Committee finds that as a matter of law, all felony cases can be initiated for prosecution via felony complaint or indictment and, in specific types of felony charges, cases can be initiated via information. The method of initiating a case is frequently chosen based on the specific facts of the individual case. Your Committee further finds that “lesser included offenses” are crimes in which the lesser offense contains all the elements of a greater offense with the caveat that the greater offense contains one or more additional elements to be proven beyond a reasonable doubt. Under existing Hawaii law, a defendant may be convicted of a lesser included offense in felony cases initiated through indictment or information, but not through felony complaint. This measure will increase consistency in felony case prosecution by authorizing judges and juries to consider lesser included offenses in cases initiated through felony complaint.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2035, to encourage further discussion;
- (2) Inserting a savings clause to clarify that the effect of this measure is for prospective offenses; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2180, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2180, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kim).

SCRep. 2162 Judiciary on S.B. No. 2691

The purpose and intent of this measure is to allow boards to file a copy of the notice of public meetings with the Office of the Lieutenant Governor or appropriate county clerk’s office via electronic mail.

Your Committee received testimony in support of this measure from the Department of Taxation, Hawaii Public Housing Authority, Hawaii Technology Development Corporation, Natural Energy Laboratory of Hawaii Authority, and Common Cause Hawaii. Your Committee received comments on this measure from the Office of Information Practices.

Your Committee finds that email is a common form of communication that is expedient and efficient and is widely used by public agencies and boards throughout the State. Allowing boards to provide required notice of public meetings via email will increase efficiency by reducing administrative costs.

Your Committee has heard testimony expressing concerns that the Lieutenant Governor’s office has no publicly verifiable system or timestamp to notify the public when it has received electronic notice of public meetings.

Your Committee has amended this measure by:

- (1) Replacing “filed with” and “filed” with “provided to” and “provided” where those terms appear in the new statutory language for consistency; and
- (2) Inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2691, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2691, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 2163 Judiciary on S.B. No. 2745

The purpose and intent of this measure is to amend the definition of “confidential personal information” in section 708-800, Hawaii Revised Statutes, to eliminate unconstitutionally vague provisions in the law as determined by the Supreme Court of the State of Hawaii in *State v. Pacquing*, 139 Haw. 302, 389 P.3d 897 (2016).

Your Committee received testimony in support of this measure from the Department of the Attorney General and Department of the Prosecuting Attorney of the City and County of Honolulu.

Your Committee finds that the Court in *State v. Pacquing*, held that certain provisions in the definition of “confidential personal information” are unconstitutionally vague. This measure will amend the definition of “confidential personal information” to eliminate those vague provisions.

Your Committee has heard the testimony of the Department of the Attorney General and the Department of the Prosecuting Attorney of the City and County of Honolulu expressing concern that this measure does not adequately protect personal information in which a person has a significant privacy interest. Your Committee further finds that S.B. No. 2178 contains amendments to the definition of “confidential personal information” that specifically identify types of information in which a person has a significant privacy interest, including usernames and passwords that provide access to protected information, as falling within the definition of “confidential

personal information". The language of S.B. No. 2178 is therefore preferable because it addresses the unconstitutionally vague provisions identified by the Supreme Court of the State of Hawaii while providing superior protection for information in which a person has a significant privacy interest.

Your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2178, a substantively similar measure, which amends the definition of "confidential personal information" in section 708-800, Hawaii Revised Statutes, to eliminate unconstitutionally vague provisions in the law as determined by the Supreme Court of the State of Hawaii in *State v. Pacquing*, 139 Haw. 302, 389 P.3d 897 (2016); and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2745, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2745, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 2164 (Joint) Ways and Means and Economic Development, Tourism, and Technology on S.B. No. 2963

The purpose and intent of this measure is to strengthen county enforcement of laws and ordinances relating to transient accommodations.

More specifically, this measure:

- (1) Provides that each county shall be eligible to receive \$1,000,000 from the State for the purpose of enforcing all applicable laws and ordinances relating to transient accommodations; provided that no funds shall be released to a county until it has satisfactorily complied with certain conditions; and
- (2) Appropriates funds from transient accommodations revenues to fund the initiative described in paragraph (1).

Your Committees received testimony in support of this measure from the Chair of the Kauai County Council; a member of the Hawaii County Council; the County of Hawaii Planning Department; American Association of University Women, Hawaii; Hawaiian Civic Club of Honolulu; and seven individuals.

Your Committees received testimony in opposition to this measure from Choice Capital Management, LLC; the Coalition for Equal Taxation; Pedro Point Surf Club; Rental by Owner Awareness Association; and ninety individuals.

Your Committees received comments on this measure from the Tax Foundation of Hawaii.

For purposes of a public hearing, your Committees circulated a proposed S.D. 1 (Proposed Draft) of the measure and notified the public that your Committees would be accepting testimony on the Proposed Draft that amends the measure by deleting the existing provisions and replaces its contents with provisions to improve the monitoring, enforcement, and collection of the transient accommodations tax and general excise tax, and compliance with state and county land use laws.

More specifically, the Proposed Draft:

- (1) Establishes a one-time amnesty program for certain delinquent transient accommodations and general excise tax obligations;
- (2) Allows transient accommodations brokers to register as tax collection agents on behalf of their operators and plan managers;
- (3) Requires registered tax collection agents to inquire with their operators and plan managers whether the respective transient accommodation is in compliance with all state and county land use and tax laws;
- (4) Requires an operator or plan manager to provide verification of compliance with state and county land use laws;
- (5) Requires an operator or plan manager to remove a transient accommodation advertisement upon notice that the property is not in compliance with state law or county ordinance;
- (6) Makes it unlawful, and a class C felony, for transient accommodations brokers to engage in business with operators or plan managers that are not in compliance with all state laws and county ordinances;
- (7) Provides that a violation of a county zoning ordinance adopted under section 46-4, Hawaii Revised Statutes, may constitute a class C felony;
- (8) Authorizes counties to disgorge profits obtained through unfair or unlawful business practices;
- (9) Authorizes counties to adopt ordinances to amortize or phase out transient vacation rental units;
- (10) Imposes a civil fine ranging from \$25,000 to \$100,000 on operators or plan managers who fail to remove an advertisement for a transient accommodation after receiving notice that the subject property is not in compliance with state law or county ordinance;
- (11) Requires the counties to adopt ordinances prohibiting transient accommodations brokers from engaging in business with operators or plan managers who are not in compliance with all state laws and county ordinances; provided that violation of these ordinances shall constitute a class C felony;
- (12) Requires the Director of Taxation to make available a form for transient accommodations brokers to apply for registration as a tax collection agent by January 1, 2019;

- (13) Allocates an unspecified percentage of general excise tax and transient accommodations tax revenues to the counties, contingent upon establishment of a process to provide verification of compliance by an operator or plan manager with county land use laws; and
- (14) Makes it unlawful for a hosting platform to collect a fee for booking services regarding transient vacation rentals that are not lawfully certified, registered, or permitted under applicable county ordinance.

Your Committees received testimony in support of the Proposed Draft from the Office of the Governor; Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs; Department of Taxation; Office of Hawaiian Affairs; the Mayor of the City and County of Honolulu; Department of Planning and Permitting of the City and County of Honolulu; two members of the Hawaii County Council; a member of the Kauai County Council; County of Kauai Office of the Prosecuting Attorney; County of Kauai Planning Department; a member of the Maui County Council; Aina Haina Community Association; American Hotel and Lodging Association; Hawaii Lodging and Tourism Association; Hilton Hawaii; Marriott Resorts Hawaii; Maui Hotel and Lodging Association; UNITE HERE Local 5; Vistana Signature Experiences; Waikiki Resort Hotel; and forty-six individuals.

Your Committees received testimony in opposition to the Proposed Draft from Expedia, Inc.; Hawaii Association of REALTORS; Hawaii Vacation Rental Owners Association; and ten individuals.

Your Committees received comments on the Proposed Draft from the Hawaii Tourism Authority; Airbnb; Hawaii Association of REALTORS; Kobayashi, Sugita, and Goda, on behalf of Airbnb; and the Tax Foundation of Hawaii.

The Proposed Draft of this measure is intended to ensure that the business of transient accommodations in the State of Hawaii meets certain requirements, both at the county and statewide levels, without preempting the counties' land use ordinance, zoning, and enforcement authority.

Your Committees acknowledge that, under the federal Communications Decency Act, no provider of an interactive computer service shall be treated as the publisher or speaker of information provided by another and no liability may be imposed under state law that is inconsistent with this prohibition. Your Committees believe the Proposed Draft places liability on the hosting platforms and operators or plan managers for their own conduct.

Your Committees also acknowledge that, under the federal Stored Communications Act, a governmental entity may not compel a person who is deemed to be a service that provides users the ability to send or receive wire or electronic communications and/or that provides to the public computer storage or processing services by means of an electronic communications system to provide stored wire or electronic communications and records in the absence of a subpoena, warrant, court order, or authorized consent. Therefore, the Proposed Draft provides that transient accommodations brokers obtain the prior written consent of their operators and plan managers to disclose all information required in chapters 237 and 237D, Hawaii Revised Statutes.

This measure is not intended to violate any federal laws.

The Departments of Business, Economic Development, and Tourism, Budget and Finance, and Taxation have provided your Committees with a conservative estimate of revenues that could be raised and project that measures similar to the Proposed Draft of this measure could raise a total of \$67,300,000 annually.

Your Committees have amended this measure by adopting the Proposed Draft and further amending the Proposed Draft by:

- (1) Clarifying that the tax amnesty program is only available to taxpayers who are subject to both the transient accommodations tax and the general excise tax;
- (2) Deleting requirements that the Director of Taxation adopt rules under chapter 91, Hawaii Revised Statutes, to administer the tax amnesty program;
- (3) Requiring transient accommodations brokers who wish to register as tax collection agents to agree in writing that continuing to collect fees for booking services in connection with a transient vacation rental, seven days after receiving written notice from a state or county governmental authority that the subject property is not in compliance with state law or county ordinance, would constitute a violation of their tax collection agreement;
- (4) Reducing the violation of the statute prohibiting transient accommodations brokers from engaging in business with operators or plan managers that are not in compliance with all state laws and county ordinances from a class C felony to a misdemeanor with a minimum fine of \$25,000;
- (5) Replacing the provision making the violation of a county zoning ordinance a class C felony with a provision imposing a minimum civil penalty of \$25,000 for violation of a county transient accommodations ordinance;
- (6) Amending the penalty for operators or plan managers who fail to remove an advertisement for a noncompliant transient accommodation to a minimum \$25,000 fine;
- (7) Amending the provisions that require the counties to adopt ordinances to prohibit transient accommodations brokers from engaging in business with operators or plan managers who are not in compliance with all state laws and county ordinances by removing the requirement that the penalty for violating such an ordinance be a class C felony;
- (8) Deleting the date by which the Director of Taxation must make a form available for transient accommodations brokers to apply for registration as a tax collection agent;
- (9) Changing the allocation to the counties from an unspecified percentage of general excise tax and transient accommodations tax revenues to a maximum of \$1,000,000 in transient accommodations tax revenues per county for implementation or enforcement of county land use ordinances;

- (10) Clarifying that violation of the statute prohibiting a hosting platform from collecting a fee for booking services regarding transient vacation rentals that are not lawfully certified, registered, or permitted under applicable county ordinance shall be a misdemeanor subject to a minimum fine of \$25,000; and
- (11) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the records of votes of the members of your Committees on Ways and Means and Economic Development, Tourism, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2963, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2963, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Inouye).

Economic Development, Tourism, and Technology: Ayes, 5. Noes, none. Excused, none.

SCRep. 2165 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2436

The purpose and intent of this measure is to shorten the time period for voluntary surrender of firearms and ammunition upon disqualification from ownership, possession, or control from thirty days to an unspecified number of hours.

Your Committee received testimony in support of this measure from the Office of the Mayor, County of Hawai'i; Everytown for Gun Safety; Moms Demand Action; Parents and Children Together; Project Kealahou; and ten individuals. Your Committee received testimony in opposition to this measure from the National Rifle Association Hawaii, ASSE, Hawaii Sportsmen's Alliance, and forty-six individuals.

Your Committee finds that removing firearms from those who are prohibited from having them is of utmost importance to protect the public. Existing law allows individuals who are disqualified from ownership, possession, or control of firearms and ammunition to keep those firearms and ammunition up to thirty days before voluntarily surrendering them. Your Committee finds that this lengthy time period creates a significant risk to the public and should be shortened so that firearms and ammunition are quickly removed from those individuals who are not to be possessing them.

Your Committee has amended this measure by changing the unspecified time period for voluntary surrender of firearms and ammunition upon disqualification from ownership, possession, or control to twenty-four hours.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2436, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2436, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2166 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2290

The purpose and intent of this measure is to prohibit state and county law enforcement agencies from complying with federal immigration detainers or honoring requests for non-public information unless specifically required to do so by a warrant signed by a judge or federal, state, or local law.

Your Committee received testimony in support of this measure from the Filipina Advocacy Network, Hawaii J-20+, ACLU People Power, Planned Parenthood Votes Northwest and Hawaii, Libertarian Party of Hawaii, Hawai'i Coalition for Immigration Reform, and twelve individuals. Your Committee received testimony in opposition to this measure from the Maui Police Department; Department of the Prosecuting Attorney, County of Maui; and twenty-five individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that Hawaii has a rich heritage of diversity that should be celebrated and protected. Recent changes in immigration policy at the federal level have created uncertainty for many immigrants, particularly undocumented immigrants. Your Committee finds the changing policies of the federal government unfortunate, given that many of the undocumented immigrants who are now targets for penalty or deportation have no history of criminal or disruptive behavior. Indeed, the overwhelming majority of these undocumented immigrants are quality individuals who make great contributions to our rich society. In addition, the recent actions and decisions by the federal government toward immigrants have brought to light the additional time and resources that local law enforcement often devote when complying with federal requests related to immigrant detention. Your Committee finds that local communities would be better served if that additional time and resources were directed at more serious problems affecting our State. Accordingly, this measure prohibits state and local law enforcement agencies from complying with federal immigration detainers or honoring requests for non-public information unless specifically required to do so by law or warrant.

However, your Committee notes the concerns raised by the Department of the Attorney General relating to the lack of exceptions for law enforcement to provide United States Immigrations and Customs Enforcement with access to interview an individual for purposes of enforcement of immigration law and the requirement that law enforcement agencies provide a copy of a United States Immigrations and Customs Enforcement detainer, transfer, notification, interview, or interrogation request to the detained individual named in the request. Your Committee recommends that your Committee on Judiciary investigate this issue further if it decides to hear this measure.

Your Committee also acknowledges the concerns raised in testimony concerning the constitutionality of complying with a detainer request that is not accompanied by a judicial warrant and finds that those provisions that might invite a constitutional challenge should be removed.

Your Committee has amended this measure by:

- (1) Removing the following exceptions to the prohibition against honoring detainer requests:
 - (A) The individual has been convicted of any misdemeanor specified in section 706-606.5(5), Hawaii Revised Statutes (HRS), within the prior five years;
 - (B) The individual has been arrested for a felony and a judge has made a finding of probable cause pursuant to section 805-7, HRS;
 - (C) There is probable cause to believe that the individual has illegally re-entered the United States after a previous removal or return as defined by title 8 United States Code section 1326(b)(2); or
 - (D) The individual is currently registered as a covered offender under chapter 846E, HRS;
- (2) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2290, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2290, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2167 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2347

The purpose and intent of this measure is to specify that citizen complaints against a police officer that involve allegations of domestic violence against a family or household member by the police officer shall not be required to be filed as notarized or sworn to by the complainant.

Your Committee received testimony in support of this measure from three individuals. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney, County of Maui; and two individuals.

Your Committee finds that curtailing domestic violence is important for the health, safety, and welfare of citizens and that a vital part of reducing domestic violence is ensuring that those reporting acts of domestic violence feel secure and confident in coming forward with complaints. The potential for chilling the voices of those wishing to report acts of domestic violence is particularly high when those reports complain of acts of domestic violence perpetrated by a police officer against a family or household member. Accordingly, this measure allows an individual to make a complaint against a police officer alleging an act of domestic violence against a family or household member without being required to swear to or make the complaint in writing.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2347, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2347, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2168 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2858

The purpose and intent of this measure is to:

- (1) Require the Department of Public Safety to establish key performance indicators for the inmate reentry system;
- (2) Require reports, using key performance indicators, to be provided to the Legislature; and
- (3) Create the annual corrections and program report as a consolidated report of other annual reports.

Your Committee received testimony in support of this measure from Young Progressives Demanding Action, Life of the Land, Community Alliance on Prisons, ACLU of Hawaii, and two individuals. Your Committee received comments on this measure from the Department of Public Safety.

Your Committee finds that effective rehabilitation of incarcerated persons is essential for operating an effective corrections system. To that end, the Legislature passed Act 8, Special Session Laws of Hawaii 2007, also known as the Community Safety Act, which established a comprehensive offender reentry system under the purview of the Department of Public Safety. Part of that Act required that the Department submit annual reports relating to the implementation, progress, and effectiveness of the various program components specified in the Act. However, the annual reports submitted by the Department are not required to include information relating to rehabilitation program outcomes. This measure ensures the effectiveness of and makes improvements to the Department's rehabilitation and reentry programs by requiring tracking of specific performance indicators. In addition, this measure streamlines the Department's submission of various statutorily required reports by requiring the Department to consolidate into one report other reports specified by statute.

Further, your Committee finds that the Department of Public Safety should begin addressing the many issues relating to pretrial detainees. To that end, your Committee finds that in its report, the Department should also relate information to the Legislature about key performance indicators relating to pretrial detainees.

Your Committee has amended this measure by:

- (1) Amending the key performance indicators that are required to be included in the Department of Public Safety's annual report to the Legislature; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2858, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2858, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2169 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2861

The purpose and intent of this measure is to:

- (1) Require the Department of Public Safety to establish performance indicators or measures to be incorporated in reports that evaluate the outcomes of program components as required in Act 8, Special Session Laws of Hawaii 2007, the Community Safety Act; and
- (2) Require the Department of Public Safety to submit quarterly reports to the Legislature of the established performance indicators, criminal offender treatment programs, and programs established pursuant to the Community Safety Act.

Your Committee received testimony in support of this measure from Young Progressives Demanding Action, Life of the Land, Community Alliance on Prisons, ACLU of Hawaii, Hawaii Justice Coalition, and two individuals. Your Committee received comments on this measure from the Department of Public Safety.

Your Committee finds that effective rehabilitation of incarcerated persons is essential for operating an effective corrections system. To that end, the Legislature passed Act 8, Special Session Laws of Hawaii 2007, also known as the Community Safety Act, which established a comprehensive offender reentry system under the purview of the Department of Public Safety. Part of that Act required that the Department submit annual reports relating to the implementation, progress, and effectiveness of the various program components specified in the Act. However, the annual reports submitted by the Department are not required to include information relating to rehabilitation program outcomes. This measure ensures the effectiveness of and makes improvements to the Department's rehabilitation and reentry programs by requiring the tracking of specific performance indicators and evaluation of data relating to participation in the programs. Moreover, your Committee finds that the reports submitted by the Department would be more easily understood and the comparative analysis would be more complete if the reports were submitted to the Legislature on a semi-annual, rather than quarterly, basis.

Further, your Committee finds that the Department of Public Safety should begin addressing the many issues relating to pretrial detainees. To that end, your Committee finds that in its report, the Department should also relay information to the Legislature about key performance indicators relating to pretrial detainees.

Your Committee has amended this measure by:

- (1) Adding key performance indicators relating to pretrial detainees; and
- (2) Changing the reporting requirements from quarterly to semi-annually to be submitted by the first day of June and first day of December each year.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2861, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2861, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2170 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2962

The purpose and intent of this measure is to prohibit a court, when dividing property upon the dissolution of a marriage, from considering military disability benefits or from indemnifying or awarding the veteran's spouse or former spouse for waivers or reductions in military pay related to disability benefits.

Your Committee did not receive any testimony on this matter.

Your Committee finds that it is essential to protect the interests of the State's veterans. Under existing law, veterans' disability benefits are placed at risk in cases of divorce. To ensure the protection and continued well-being of our veterans, it is necessary to protect those benefits from being subject to disposition of property during divorce.

However, your Committee has concerns about the breadth of this measure and its potential impacts on the spouses or former spouses of veterans. Your Committee recommends that if your Committee on Judiciary decides to hear this measure, that your Committee on

Judiciary investigate efficacy of prohibiting the courts from considering other types of military retirement benefits in cases of disposition of property pursuant to divorce.

Your Committee has amended this measure by:

- (1) Removing the prohibition on indemnification of or awarding of any other income or property to the veteran's spouse or former spouse for waivers or reductions in military pay related to disability benefits;
- (2) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2962, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2962, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Ihara, Thielen). Noes, none. Excused, 1 (Baker).

SCRep. 2171 (Joint) Public Safety, Intergovernmental, and Military Affairs and Housing on S.B. No. 2758

The purpose and intent of this measure is to establish forty-five day approval deadlines for affordable housing projects seeking district boundary amendments for land areas of fifteen acres or less under the jurisdiction of the counties, as well as forty-five day approval deadlines for the Hawaii Community Development Authority.

Your Committees received testimony in support of this measure from the Office of the Governor; Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; County of Hawai'i Planning Department; Hawaii Community Development Authority; Building Industry Association Hawaii; Chamber of Commerce Hawaii; Drug Policy Forum of Hawaii.

Your Committees find that the State's need for more affordable housing is an immediate and ever-growing concern that must be addressed. Of the approximately 64,700 housing units that are forecast to be needed between 2015 and 2025, nearly eighty-nine percent, or about 57,500 units, will be needed by those classified as lower income groups. Given the overwhelming need for affordable housing, your Committees find that it is essential that satisfactory affordable housing projects be approved in a timely manner. Consequently, your Committees find that establishing a forty-five day approval process for affordable housing projects seeking district boundary amendments for land areas of fifteen acres or less within the jurisdiction of the counties could expedite governmental approvals, save time and money, and encourage timely affordable housing development.

Your Committees have amended this measure by:

- (1) Removing language that would have made the Hawaii Community Development Authority subject to the proposed expedited time limit for approvals;
- (2) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2758, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2758, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4; Ayes with Reservations (Ihara). Noes, none. Excused, 1 (Wakai).

Housing: Ayes, 3. Noes, none. Excused, 2 (Green, Kahele).

SCRep. 2172 (Joint) Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on S.B. No. 2817

The purpose and intent of this measure is to authorize crime victim compensation for mental health services for survivors in cases involving a death and for children who witness domestic violence.

Your Committees received testimony in support of this measure from the Office of the Prosecuting Attorney, County of Kaua'i; Crime Victim Compensation Commission; Domestic Violence Action Center; Hawaii Psychological Association; Pacific Behavioral Health; The Sex Abuse Treatment Center; and four individuals.

Your Committees find that caring for those affected by violent crimes and domestic abuse is essential to maintaining public health, safety, and welfare. Existing law allows for the payment of compensation to certain classes of individuals impacted by certain violent deaths. Your Committees find that this type of compensation for affected individuals is important, helpful, and necessary and should be extended to those surviving relatives of a deceased victim who require mental health services in the wake of such a traumatic, life-altering event. In addition, your Committees find that the same type of compensation afforded those affected by violent deaths should also be extended to cases involving child witnesses to abuse of a family or household member where mental health services are required by the child witness.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2817 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 2173 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2777

The purpose and intent of this measure is to allow the Department of Defense to recoup operating costs when the department allows for temporary facility use to the public.

Your Committee did not receive any testimony on this measure.

Your Committee finds that it is important that the Department of Defense serve and be an integral part of the community. Your Committee further finds that the leasing out of Department of Defense facilities, in accordance with Hawaii Revised Statutes and Department of Defense requirements, on a non-interference basis, for temporary public use and rental by organizations such as civic and veterans groups, and non-profit entities within the community provides a valuable service to the public. However, the Department of Defense is currently losing money when it rents out its facilities because, under existing statutes, all monies received from these rentals are to be deposited into the general fund of the State, with required amounts returned to the Office of Hawaiian Affairs. This results in the Department of Defense being forced to utilize operating funds to cover the costs of utilities, supplies, and personnel for the temporary public use of its facilities. Accordingly, this measure clarifies that the Department of Defense may retain revenues collected to cover the cost of utilities, supplies, personnel, and wear-and-tear associated with the lending out of its facilities and that any net proceeds collected associated with the lending out of its facilities will be returned to the State's general fund, with required amounts returned to the Office of Hawaiian Affairs.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2777 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2174 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2778

The purpose and intent of this measure is to create a chargeable transient quarters revolving fund, to be administered by the Department of Defense, into which lodging and billet fees are to be deposited.

Your Committee did not receive any testimony on this measure.

Your Committee finds that the Hawaii Army National Guard's 298th Regiment multi-functional, Regional Training Institute is an essential training command for Hawaii and the Pacific region. The Regional Training Institute trains soldiers and leaders of the United States Army National Guard, active duty, and reserves. The Regional Training Institute is a charitable transient quarters where trainees pay nightly billet and lodging fees. This measure creates a chargeable transient quarters revolving fund into which the lodging and billet fees may be deposited and out of which the cost of goods and services furnished may be paid.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2778 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2175 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2852

The purpose and intent of this measure is to appropriate funds as a grant to Weed and Seed Hawaii to maintain the weed and seed program, which is a collaborative effort to prevent crime and rebuild communities in targeted areas.

Your Committee received testimony in support of this measure from the Department of the Attorney General; Department of the Prosecuting Attorney, County of Maui; Maui Police Department; Honolulu Police Department; Filipino Community Center, Inc.; Gentry Homes, Ltd.; HawaiiUSA Federal Credit Union; Waipahu Community Coalition; and fourteen individuals.

Your Committee finds that the United States Department of Justice's weed and seed strategy is a proven strategy for preventing, controlling, and reducing violent crime and drug abuse. The strategy calls for local law enforcement to "weed out" the criminal element in neighborhoods then for public agencies and private entities to work together to "seed" the communities with human services that include prevention, intervention, treatment, and neighborhood revitalization. The strategy has been implemented successfully in the Kalihi-Palama and Chinatown areas of downtown Honolulu as well as Waipahu and Ewa/Ewa Beach. Accordingly, this measure appropriates \$400,000 as a grant to Weed and Seed Hawaii to maintain the weed and seed program.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2852 and recommends that it pass Second Reading and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2176 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 3083

The purpose and intent of this measure is to clarify that certain types of remuneration received by an owner of private property who in good faith provides emergency access to land, shelter, or subsistence during a disaster shall not disqualify the owner from receiving the exemption provided under section 663-10.7, Hawaii Revised Statutes, from civil liability for any resulting injury or damage.

Your Committee received testimony in support of this measure from the Department of Emergency Management, City and County of Honolulu; Hawaii Emergency Management Agency; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that ensuring citizens have access to adequate land, shelter, and subsistence during a disaster is essential to public safety and welfare. Given the finite amount of available public resources, there is a need to encourage owners of private property to assist in times of emergencies or disasters by providing emergency shelter to the public. However, in many cases, owners of private property are reluctant to make their property or facilities available to the general public for use as emergency shelter due to concerns about liability. Under existing law, it is unclear whether a property owner who provides shelter during a disaster is exempt from civil liability if the persons being sheltered are paying guests of a transient accommodation, wards of healthcare facilities, students of an educational facility, or buyers of commodities sold by the property owner. Accordingly, this measure clarifies this ambiguity to ensure that certain types of remuneration received by an owner of private property who in good faith provides access to the property to members of the public during a disaster or emergency do not disqualify the property owner from civil liability for resulting injuries or damage.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3083 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 2177 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2046

The purpose and intent of this measure is to prohibit trigger modification devices, including bump stocks, that are designed or function to accelerate the rate of fire of a semiautomatic firearm.

Your Committee received testimony in support of this measure from the Office of the Mayor, County of Hawaii; Honolulu Police Department; Department of the Prosecuting Attorney, County of Maui; Americans for Democratic Action; and one individual. Your Committee received testimony in opposition to this measure from the Hawaii Rifle Association, National Rifle Association Hawaii, Green Screen Hawaii, ASSE, Hawaii Sportsmen's Alliance, Hawaii Hunting Association, Maui Ammo and Gun Supply, Institute for Rational and Evidence-Based Legislation, and ninety-two individuals.

Your Committee finds that restricting certain uses of firearms and firearms accessories is necessary to ensure public safety. Devices, such as bump stocks, that are designed to accelerate the rate of fire of a semiautomatic firearm allow a semiautomatic firearm to behave similarly to an illegal automatic firearm. Moreover, as witnessed in the mass shooting that occurred in Las Vegas in 2017, devices such as a bump stock can cause tremendous devastation in an extraordinarily short amount of time. Therefore, this measure prohibits bump stocks and other similar trigger modification devices that are designed or function to accelerate the rate of fire of a semiautomatic firearm.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2046 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2178 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2058

The purpose and intent of this measure is to:

- (1) Require review and approval by the Board of Private Detectives and Guards of any badge, uniform, form of identification, emblem, or other accoutrement to be used by detective agencies, guard agencies, private detectives, or guards; and
- (2) Prohibit detective agencies, guard agencies, private detectives, and guards from self-identifying as law enforcement officers, police, or police officers and from wearing or using any badge, uniform, equipment, vehicle, or other accoutrement capable of being associated with that of a law enforcement officer employed by a government law enforcement organization.

Your Committee received testimony in support of this measure from the Maui Police department and one individual. Your Committee received comments on this measure from the Board of Private Detectives and Guards and Libertarian Party of Hawaii.

Your Committee finds that establishing a clear distinction between private detectives and guards and law enforcement officers is important to maintaining public safety and confidence in law enforcement. Private detectives and guards in Hawaii have broad powers, including the powers to detain and search individuals; however, they are not law enforcement officers. Therefore, members of the public should be able to clearly distinguish between these different groups. Accordingly, this measure prohibits private detectives and guards from the wearing or use of any badge, uniform, form of identification, emblem, equipment, vehicle, or other accoutrement capable of being associated with that of a law enforcement officer employed by a government law enforcement organization. Moreover, to ensure compliance with that prohibition, this measure requires the Board of Private Detectives and Guards to review and approve all badges, uniforms, equipment, vehicles, or other accoutrements that private detectives or guards wish to wear or use.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2058 and recommends that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2179 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2184

The purpose and intent of this measure is to authorize the expenditure of monies collected from the reduced ignition propensity cigarette fees to fund fire and life safety programs, including the hiring of part-time personnel by the State Fire Council.

Your Committee received testimony in support of this measure from the State Fire Council and Kaua'i County Fire Department. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that the State Fire Council, which was established in 1979, has largely been underfunded since its inception. The lack of appropriate funding has hindered the Council's ability to effectively carry out its statutory functions. Your Committee finds that the lack of appropriate funding for the Council is reducing its effectiveness and that the Council could benefit from funding for additional personnel to promote statewide fire and life safety activities.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2184 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 2180 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2186

The purpose and intent of this measure is to increase the fireworks display permit fee from \$110 to \$300.

Your Committee received testimony in support of this measure from the State Fire Council and Kaua'i County Fire Department.

Your Committee finds that the fireworks display permit fee, which authorizes licensed pyrotechnicians to conduct outdoor and close proximity fireworks for special public or private events and theatrical or movie purposes, has remained the same since it was established fourteen years ago. However, during that time, the cost to process, review, and approve display permits has increased. Therefore, your Committee finds that the fireworks display permit fee needs to be increased to keep pace with the rise in governmental administrative costs.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2186 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 2181 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2427

The purpose and intent of this measure is to:

- (1) Create a temporary law enforcement working group to make recommendations to the Legislature on establishing professional recruitment, hiring, and training standards for all state law enforcement officers who carry firearms and badges and who have arrest authority; and
- (2) Prohibit a law enforcement officer who has been terminated for misconduct by a state or county department, agency, or office in the capacity of law enforcement from being hired by another state or county law enforcement department, agency, or office.

Your Committee received testimony in support of this measure from the Department of Public Safety, Department of Transportation, and one individual. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Taxation, Department of Land and Natural Resources, and one individual.

Your Committee finds that maintaining a force of properly qualified law enforcement officers is essential to protecting the health, safety, and welfare of the public. Currently, there are no existing statewide standards for recruiting, hiring, and training law enforcement personnel across state agencies, making Hawaii one of the few states lacking in such statewide standards. A clear set of statewide standards for recruiting, hiring, and training law enforcement personnel would not only establish consistency and lead to improvements within the system, but it would provide the additional benefits of saving costs and streamlining operations. Therefore, in order to implement the highest quality statewide standards, this measure creates a temporary law enforcement working group to make recommendations to the Legislature on the appropriate professional recruitment, hiring, and training standards to adopt for all state law enforcement officers. Further, this measure immediately strengthens the hiring process for state law enforcement officers by prohibiting the hiring by one department, agency, or office of an officer who has been terminated for misconduct by another state or county department, agency, or office in the capacity of law enforcement.

Your Committee has amended this measure by:

- (1) Replacing the State Sheriff or the Sheriff's designee with the Director of Public Safety or the Director's designee on the proposed law enforcement working group;
- (2) Adding the Chief of Police of each county police department or the Chief's designee as members of the proposed law enforcement working group; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2427, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2427, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2182 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2743

The purpose and intent of this measure is to establish a program in the Department of the Attorney General responsible for issuing credentials to qualified law enforcement officers pursuant to the federal Law Enforcement Officers Safety Act.

Your Committee received testimony in support of this measure from the Department of Public Safety; Department of the Attorney General; Department of Transportation; Department of the Prosecuting Attorney, County of Maui; Maui Police Department; and two individuals.

Your Committee finds that maintaining safety is essential for promoting public welfare. In 2004, the United States Congress enacted the Law Enforcement Officers Safety Act (LEOSA), which allows qualified law enforcement officers and retired law enforcement officers to carry concealed firearms in the United States regardless of state or local laws, with certain restrictions. In 2008, the Department of the Attorney General, with the concurrence of the county chiefs of police, established a LEOSA certification program to comply with LEOSA and enable the Department to issue credentials to qualified retired law enforcement officers in the State. This measure grants the Department of the Attorney General the statutory authority to establish a uniform statewide certificate program with appropriate safeguards to ensure public safety while streamlining multi-island travel by retired law enforcement officers.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2743 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2183 Labor on Gov. Msg. No. 537

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

G.M. No. 537 LEONARD HOSHIJO, for a term to expire at noon on 12-03-2018

Your Committee has reviewed the personal history and resume submitted by the nominee and finds Leonard Hoshijo to possess the requisite qualifications to be nominated as the Director of the Department of Labor and Industrial Relations.

Your Committee received testimony in support of the nomination of Mr. Hoshijo from the Governor; Department of Land and Natural Resources; Department of Public Safety; Department of Transportation; Department of Accounting and General Services; Department of Budget and Finance; Department of Business, Economic Development and Tourism; Department of Health; Department of Human Resources Development; Department of Agriculture; Hawaii Occupational Safety and Health Division, Department of Labor and Industrial Relations; Workforce Development Division, Department of Labor and Industrial Relations; Hawaii Emergency Management Agency, Department of Defense; Office of Enterprise Technology Services; Hawaii Labor Relations Board; Pacific Resource Partnership; Hawai'i Construction Alliance; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; SanHi Government Strategies LLP, A Limited Liability Law Partnership; Hawaii Laborers-Employers Cooperation and Education Trust; International Longshore and Warehouse Union, Local 142; United Public Workers, AFSCME, Local 646, AFL-CIO; General Contractors Association of Hawaii; Hawaii Regional Council of Carpenters; and nine individuals.

Mr. Hoshijo obtained his Bachelor of Arts degree from Antioch College and a P.Ed. degree from the University of Hawaii. After college, he worked for the International Longshore and Warehouse Union (ILWU), Local 142, for twenty-six years. At the ILWU, he served in various positions, including as a Housing Representative, Organizer, International Representative, and International Vice President. He carried out an assortment of responsibilities, such as assisting working families and retirees with achieving affordable homeownership and developing rental housing for individuals who were unable to purchase a home; organizing workers for collective bargaining and engaging in reaching collective bargaining agreements; supporting state assistance for agricultural and tourism employers; taking part in educational programs for member volunteers; conducting contract negotiations; conducting internal democracy processes; and administering joint ILWU Local 142 and International union programs.

Mr. Hoshijo then served as the Education and Political Director for the Hawaii Regional Council of Carpenters from 2001 until 2015. As part of the central staff, his teamwork accomplishments include conducting member education programs on origins and services of the union and the importance of government in their livelihood and conducting research, internal governance and operational procedures, and contract administration. He also participated in the successful contract negotiation for project labor agreements with military housing developers that privatized military housing to ensure that homes for Army, Navy, Marines, and Air Force families would be built efficiently for fifty years at area standard wages for construction workers.

Mr. Hoshijo began serving as Deputy Director of Labor and Industrial Relations in 2015. As Deputy Director, he assisted the Director in managing the Department. He oversaw the Workforce Development Council and the Unemployment Insurance, Workers' Compensation, and Occupational Safety and Health Divisions. Mr. Hoshijo has been serving as Acting Director of Labor and Industrial Relations since December 2017.

Mr. Hoshijo also serves as a director or officer for various low income rental housing nonprofit corporations, including the Hawaii Housing Finance and Development Corporation, Jack Hall Kona Memorial Housing Corporation, Waipahu Jack Hall Memorial Housing Corporation, Ewa Housing Foundation, Kohala Union Housing Corporation, Ka'u Housing Corporation, and Jack Hall Hawaii Housing Corporation. He additionally serves as a member of the Labor Education Advisory Board of the University of Hawaii Center for Labor Education and Research, as well as a director and officer for the Hawaii Labor Heritage Council.

Testifiers in support of the nominee indicate that Mr. Hoshijo has worked collaboratively with employers, government officials, and community organizations. He analytically addresses issues by considering all points of view to find a common ground and acting accordingly. He has a firm working knowledge of the Department of Labor and Industrial Relations. Your Committee finds that he has the skills, knowledge, temperament, and experience to lead a department as large and as complex as the Department of Labor and Industrial Relations.

Your Committee finds that Mr. Hoshijo is qualified to serve as the Director of Labor and Industrial Relations. He possesses the intelligence, knowledge, experience, and demeanor to be an effective Director.

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 (Ihara, Taniguchi).

SCRep. 2184 Housing on S.B. No. 2497

The purpose and intent of this measure is to:

- (1) Require the Hawaii Public Housing Authority to establish a program to offer dwelling unit insurance policies to landlords who rent to tenants using the Section 8 housing choice voucher program;
- (2) Require the Hawaii Public Housing Authority to submit a report to the Legislature regarding the establishment of the program prior to the convening of the Regular Session of 2019; and
- (3) Appropriates funds to the Hawaii Public Housing Authority to establish the program, including funds for positions to administer the program.

Your Committee received testimony in support of this measure from the League of Women Voters of Hawaii and one individual. Your Committee received comments on this measure from the Hawaii Public Housing Authority.

Your Committee finds that the Hawaii Public Housing Authority assists low-income families through the housing choice voucher program, also known as "Section 8". The Section 8 program is one of the federal government's major programs for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market, including single-family homes, townhouses, and apartments. Due to the overwhelming need in the community to assist low-income families, this measure will assist future Section 8 participants by encouraging landlords to rent their dwelling units to Section 8 participants.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2497 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 2185 Housing on S.B. No. 2531

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist not-for-profit private organizations, for-profit private organizations, and public instrumentalities in the retrofitting of low- and moderate-income apartment complexes with sprinkler systems.

Your Committee received testimony in support of this measure from the Fire Department of the City and County of Honolulu, Fire Department of the County of Kaua'i, and Hawaii State Fire Council. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the fire at the Marco Polo condominium on July 14, 2017, highlights the dangers of fire in older apartment buildings. Automatic fire sprinkler systems are proven solutions to fires in high rise buildings. Death rates and property loss are substantially reduced when these systems are installed and properly maintained.

Your Committee further finds that the installation of fire sprinkler systems can pose a heavy financial burden to property owners on small or fixed incomes. This measure provides financial support to certain entities that will ultimately help property owners who normally would be unable to carry the financial burden to protect themselves and their neighbors from a high rise fire.

Your Committee notes the comments submitted by the Department of Budget and Finance that this measure fails to specify the parties to which the special purpose revenue bonds are proposed to be issued. The approval of the issuance of special purpose revenue bonds and conduit loan are dependent upon compliance with all federal, state, and credit underwriting requirements. Thus, your Committee believes that this issue merits further discussion as this measure moves through the legislative process.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2531 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 2186 Housing on S.B. No. 2007

The purpose and intent of this measure is to define specific rights granted to a person who is houseless, including equal access to housing, jobs, and shelters, equal treatment by government agencies, and access to life-sustaining activities and essential services.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Governor's Coordinator on Homelessness, Department of the Attorney General, League of Women Voters of Hawaii, and one individual.

Your Committee finds that no person's rights, privileges, or access to public services should be denied solely because that person is houseless, and a houseless individual should be granted the same rights as any other person. Houseless persons often experience discrimination based on their appearance or lack of permanent address, and this measure seeks to protect their basic human rights.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of the Attorney General that:
 - (A) Removes language that would have conferred the right to a reasonable expectation of privacy in personal property to the same extent as personal property in a permanent residence, to avoid the interpretation of conferring additional legal rights to houseless persons that are not conferred to other citizens of the State, or of interference with law enforcement efforts;
 - (B) Removes language that would have entitled a houseless person to an equal opportunity to have access to public hygiene facilities and live in decent accommodations, to avoid a possible interpretation that the State is obligated to provide housing for everyone;
 - (C) Clarifies that under the right to maintain access to services essential to survival, law enforcement activities and efforts to promote health, safety, and welfare are not included as actions by the State and counties, rather than actions by only the State, to appropriately exclude county actions that are necessary to ensure public safety; and
 - (D) Adds language to clarify that the houseless bill of rights shall not be interpreted to create new legal rights for houseless persons, but is intended to ensure that a houseless person is not discriminated against due to housing status; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2007, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2007, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2187 Housing on S.B. No. 2784

The purpose and intent of this measure is to create an eviction process for the Hawaii Public Housing Authority's state low-income housing projects and elder or elderly housing.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority and League of Women Voters of Hawaii.

Your Committee finds that Act 114, Session Laws of Hawaii 2017 (Act 114), exempted state low-income housing directly controlled, owned, or managed by the Hawaii Public Housing Authority from the requirements of the residential landlord-tenant code under chapter 521, Hawaii Revised Statutes. Act 114 was the first step in creating a uniform eviction process for state and federal low-income public housing to ensure all tenants receive the same due process rights regardless of the property on which they reside. This measure streamlines the eviction process for all of the Hawaii Public Housing Authority's state and federal low-income public housing programs and lessens the caseload of the Judiciary and the Department of the Attorney General.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency, including changing the new part added to chapter 356D, Hawaii Revised Statutes, to a subpart in part III of chapter 356D, Hawaii Revised Statutes, relating to state low-income housing.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2784, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2784, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2188 Housing on S.B. No. 2786

The purpose and intent of this measure is to:

- (1) Close to the public certain areas within a housing project under the jurisdiction of the Hawaii Public Housing Authority where signs are displayed that comply with certain requirements; and
- (2) Amend the offense of criminal trespass in the second degree to clarify when, under certain circumstances, a person commits the offense of entering or remaining unlawfully in or upon any area of a housing project that is closed to the public.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority and one individual.

Your Committee finds that one of the greatest concerns and priorities of the Hawaii Public Housing Authority is the safety and wellbeing of its tenants and staff. However, there have been a number of incidents occurring on housing project properties due to the presence of uninvited individuals, including unauthorized individuals entering onto public housing property and setting up tents in the middle of the property or causing property damage, or evicted tenants returning to the property to harass or intimidate their former

neighbors. These acts create conflict among the tenants as well as staff. Accordingly, this measure provides the Hawaii Public Housing Authority with a tool to address and resolve these matters.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2786, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2786, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 2189 Housing on S.B. No. 2856

The purpose and intent of this measure is to:

- (1) Amend the low-income household renters income tax credit to broaden its application to move taxpayers and to increase the amount of the credit for certain qualified taxpayers; and
- (2) Use the consumer price index to adjust the amount of tax credit that may be claimed by a taxpayer.

Your Committee received testimony in support of this measure from the Hawaii Appleseed Center for Law & Economic Justice, Americans for Democratic Action Hawai'i, Hawai'i Alliance for Community-Based Economic Development, Hawaiian Community Assets, Planned Parenthood Votes Northwest and Hawaii, Catholic Charities Hawai'i, Parents and Children Together, YWCA O'ahu, Hawaii Children's Action Network, Women's Caucus of the Democratic Party of Hawai'i, and thirteen individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the income tax credit for low-income household renters was established forty years ago to help make up for the high rents and tax rates that burden low-income and moderate-income earners. However, this income tax credit has not been routinely updated to account for inflation. In light of the fact that Hawaii has the highest homeless rate per capita and some of the highest cost burdens of any state in the nation, this measure contributes to a comprehensive strategy to meet the State's affordable housing goals.

Your Committee has amended this measure by adopting the language suggested by the Department of Taxation that:

- (1) Amends the definition of "adjusted gross income" to mean the same as defined by the Internal Revenue Code, rather than section 235-1, Hawaii Revised Statutes;
- (2) Amends the index to which the term "consumer price index" refers and changes the reference from the United States Department of Labor to the United States Bureau of Labor Statistics as the consumer price index publishing source under the definition of "consumer price index"; and
- (3) Amends the method for adjusting the amount of the tax credit that may be claimed by the taxpayer based on the consumer price index.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2856, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2856, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 2190 Housing on S.B. No. 2969

The purpose and intent of this measure is to reduce the size threshold for a single-family residence that is not part of a larger development to be excluded from the definition of "development" for purposes of the special management areas law.

Your Committee received testimony in support of this measure from the Office of Planning. Your Committee received testimony in opposition to this measure from the Planning Department of the County of Hawai'i.

Your Committee finds that the proposed reduction in the floor area threshold of a single-family residence in this measure will offer further opportunity for the county planning departments to review potential cumulative impacts, or significant environmental or ecological effects, from construction or reconstruction of a single-family residence on a special management area.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2969, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2969, S.D. 1, and be referred to your Committee on Water and Land.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 2191 Commerce, Consumer Protection, and Health on S.B. No. 2491

The purpose and intent of this measure is to increase protections for health care workers by increasing the criminal penalties for assaulting a health care worker who is engaged in the performance of duties.

Your Committee received testimony in support of this measure from the Department of Health; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Healthcare Association of Hawaii; Hawaii Medical Association; Hawaii Primary Care Association; Kaiser Permanente; Pali Momi Medical Center; Hilo Medical Center; Hawaii Pacific Health; United Public Workers, AFSCME Local 646, AFL-CIO; The Queen's Health Systems; Hawaii Nurses Association, OPEIU Local 50; One Kalakaua Senior Living; Ohana Pacific Management Company; American Organization of Nurse Executives - Hawaii Chapter; Legacy of Life Hawaii; and twenty-six individuals. Your Committee received comments on this measure from the Hawaii Medical Service Association.

Your Committee has heard the concerns of individuals, many of whom are employees of hospitals and other medical providers who were victims of assaults, who noted that health care workers may be less likely to report assaults under existing law, in part because the offense is classified as a misdemeanor and therefore is capable of being expunged from the offender's record and subject to a time served sentence. Your Committee finds that this measure will extend protections for health care workers, encourage prosecution of individuals who assault health care workers, and assist in the retention of needed health care workers by elevating the offense of assault of a health care worker who is engaged in the performance of duty to a felony. In so doing, this measure will provide an equal level of protection for health care workers as for employees of state-operated or state-contracted mental health facilities.

Your Committee has also heard the concerns of the Hawaii Primary Care Association, which noted that this measure, as written, changes the base offense from a misdemeanor to a felony by amending section 707-711, Hawaii Revised Statutes (HRS), and that categorical classifications of victims inject subjectivity into the penalization process. The Hawaii Primary Care Association suggested, as an alternative, amending section 706-662, HRS, which provides for extended terms of imprisonment for persons convicted of certain crimes. However, your Committee notes that the extended terms of imprisonment under section 706-662, HRS, apply only to felony convictions. Therefore, in order to make assault of a health care worker who is engaged in the performance of duty eligible for an extended term of imprisonment, either the offense would need to be elevated to a felony offense or section 706-662, HRS, would need to be amended to allow extended terms of imprisonment for misdemeanor offenses. Your Committee finds that allowing extended terms of imprisonment for misdemeanor offenses, in order to accommodate this offense, falls outside of the purview of your Committee and may affect a much greater population than is intended by this measure. Accordingly, your Committee finds that retaining the amendment in section 707-711, HRS, to make assault of a health care worker who is engaged in the performance of duty a felony, is the most appropriate option at this time.

Accordingly, your Committee has amended this measure by:

- (1) Broadening the covered range of activities and potential work settings for persons protected by this measure to include those providing health services in addition to case management, and to include those providing health services in a health care provider's office or in any other setting; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2491, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2491, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 2192 (Joint) Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2299

The purpose and intent of this measure is to:

- (1) Authorize a naturopathic physician to prescribe and administer testosterone that is consistent with naturopathic medical practice; and
- (2) Clarify that narcotic drugs shall not be included within the naturopathic formulary.

Your Committees received testimony in support of this measure from the Board of Naturopathic Medicine, Hawaii Society of Naturopathic Physicians, Pacific Integrative Medicine, and four individuals. Your Committees received testimony in opposition to this measure from the Hawaii Medical Association, American Osteopathic Association, and Hawaii Association of Osteopathic Physicians and Surgeons. Your Committees received comments on this measure from the Hawaii Medical Service Association.

Your Committees find that naturopathic physicians provide skilled and quality care to patients throughout the State, and remain mindful of safety, appropriate prescribing, and efficacy when treating patients with natural hormones. As a result, according to the Board of Naturopathic Medicine, the Board has taken no disciplinary matters since hormones were included in the naturopathic formulary.

Your Committees further find that although naturopathic physicians have some prescriptive authority, they are unable to prescribe testosterone, a controlled substance that is consistent with the practice of naturopathic medicine. This measure therefore authorizes a naturopathic physician to prescribe and administer testosterone, consistent with naturopathic medical practice, but specifies that narcotic drugs are not to be included within the naturopathic formulary.

Your Committees have amended this measure by:

- (1) Clarifying that the naturopathic formulary shall not include any narcotic drugs or controlled substances, other than testosterone;

- (2) Inserting a savings clause; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2299, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2299, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Tokuda).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 2193 (Joint) Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2741

The purpose and intent of this measure is to:

- (1) Specifically include section 707-733(1)(b), Hawaii Revised Statutes (HRS), as a tier 1 covered sexual offense when the offense is committed toward a minor; and
- (2) Amend the covered offender registration law to require defendants charged with a covered offense to register whether they were subsequently involuntarily committed; found unfit to proceed; had charges dismissed by reason of physical or mental disease, disorder, or defect; or were acquitted by reason of physical or mental disease, disorder, or defect.

Your Committees received testimony in support of this measure from the Department of the Attorney General. Your Committees received testimony in opposition to this measure from Office of the Public Defender.

Your Committees find that a person commits the offense under section 707-733(1)(b), HRS, when the person knowingly exposes the person's genitals to another person under circumstances in which the actor's conduct is likely to alarm the other person or put the person in fear of bodily injury. When this offense is committed against a minor, it is considered a covered offense for purposes of covered offender registration, under the term "sexual conduct toward a minor", which may be subject to interpretation and challenge in court. Explicitly including section 707-733(1)(b), HRS, as a tier 1 covered sexual offense when the offense is committed toward a minor avoids interpretation issues and allows for timelier determinations of mandatory registration.

Your Committees further find that under the existing covered offender registration law, defendants with diminished mental capacities are treated disparately depending on the disposition of their case. This measure promotes the uniform treatment of these offenders by requiring registration for defendants charged with a covered offense whether they are subsequently involuntarily committed; found unfit to proceed; have charges dismissed by reason of physical or mental disease, disorder, or defect; or are acquitted by reason of physical or mental disease, disorder, or defect.

Your Committees have heard the concerns of the Office of the Public Defender with respect to the severity of registration as a punishment with respect to a non-contact offense, especially certain behaviors such as nude sunbathing and streaking. However, your Committees note the serious impact of indecent exposure on the affected minor and find that this measure, as drafted, would not lead to prosecutions for the behaviors that prompted the concerns of the Office of the Public Defender. Your Committees conclude that registration is an appropriate consequence for a convicted offender for indecent exposure.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2741, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2741, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Tokuda).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 2194 (Joint) Education and Labor on S.B. No. 2242

The purpose and intent of this measure is to appropriate funds for the establishment of a workforce development microgrant program to award grants to public high school students for costs associated with technical or workforce training related to certain industries.

Your Committees received testimony in support of this measure from the Department of Education, Office of the State Director for Career and Technical Education for the University of Hawai'i System, Hawaii State Teachers Association, Oahu County Committee on Legislative Priorities for the Democratic Party of Hawaii, and Hawaii Cattlemen's Council, Inc.

Your Committees find that since 2013, a number of states have enacted legislation to better align curriculum in high schools with state workforce needs, including designing career pathways that prepare students for high-skill, high-demand jobs in the state or region. By providing financial assistance for high school students for costs associated with technical or workforce training in the State's growing and most demanding industries, the State can continue to invest in local workforce development and ensure that those entering the workforce are prepared and properly trained.

Your Committees have amended this measure by inserting a blank appropriation amount for the workforce development microgrant program.

As affirmed by the records of votes of the members of your Committees on Education and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2242, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2242, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Education: Ayes, 4. Noes, none. Excused, 1 (Kahele).
 Labor: Ayes, 3. Noes, none. Excused, 2 (Chang, Taniguchi).

SCRep. 2195 (Joint) Education and Labor on S.B. No. 2368

The purpose and intent of this measure is to:

- (1) Require the Department of Education to:
 - (A) Establish and implement a program to educate public school students on sexual abuse prevention through age appropriate curricula; and
 - (B) Submit reports to the Legislature on the status of the implementation of and nature of the child sexual abuse prevention education program; and
- (2) Appropriate funds for the implementation of the child sexual abuse prevention education program.

Your Committees received testimony in support of this measure from the Hawaii State Teachers Association; The Sex Abuse Treatment Center; Hawaii Youth Services Network; Hawaii Children's Action Network; IMUAlliance; Parents and Children Together; Special Education Advisory Council; Mental Health America of Hawaii; Domestic Violence Action Center; Planned Parenthood Votes Northwest and Hawaii; YWCA O'ahu; Children's Alliance of Hawaii, Inc.; Bare Feet Studios, LLC; UNITE; and nine individuals. Your Committees received comments on this measure from the Department of Education.

Your Committees find that sexual abuse remains a serious and ongoing threat to the safety, health, and well-being of children and young people in the State. Although programs and Department of Education-approved curricula currently exist in the State, implementation is not consistent system wide and resources for the provision of training and education are limited. Therefore, implementing and requiring resources for a regular, consistent sexual abuse prevention education program across the entire public school system will help to ensure that students are educated in sexual abuse prevention and teachers and staff receive sufficient training on talking to students about child sexual abuse prevention, the effects of child sexual abuse on children, handling sexual abuse disclosures, and mandated reporting.

Your Committees have amended this measure by:

- (1) Inserting language that requires the Board of Education to adopt Board policies to effectuate the sexual abuse prevention education program and for the department of education to implement such policies; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2368, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2368, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Education: Ayes, 4. Noes, none. Excused, 1 (Kahele).
 Labor: Ayes, 3. Noes, none. Excused, 2 (Chang, Taniguchi).

SCRep. 2196 Education on S.B. No. 2381

The purpose and intent of this measure is to allow school principals to close the school due to natural disaster without needing to consult the complex area superintendent if conditions are deemed unsafe for students and faculty.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association and three individuals. Your Committee received testimony in opposition to this measure from the Department of Education.

Your Committee finds that each school's ability to cope with natural disasters and emergencies is unique, and that a quick and timely school closure could be the difference between a safe and unsafe evacuation for student and faculty. By authorizing school principals to close schools due to natural disasters without requiring additional procedures prior to closing the school, a school principal can make this decision in a timely fashion to ensure the safety and well-being of students and faculty.

Your Committee has amended this measure by:

- (1) Clarifying that a school principal may close the school due to natural disaster without needing to consult the complex area superintendent in the case of an emergency; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2381, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2381, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
 Ayes, 4. Noes, none. Excused, 1 (Kim).

SCRep. 2197 Education on S.B. No. 2239

The purpose and intent of this measure is to appropriate funds for the payment of SAT or ACT standardized test examination fees for those public high school students who are in the eleventh or twelfth grade and are eligible for the free and reduced price lunch program.

Your Committee received testimony in support of this measure from three individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that the cost for the SAT exam for the 2017-2018 academic year is \$46 for the basic exam and \$60 for the SAT with essay. Additionally, other services and fees associated with standardized test examinations, such as score reports and registration fees, can cost college applicants hundreds of dollars. Your Committee further finds that the Department of Education currently covers the cost of all eleventh grade public school students to take a nationally-recognized college admissions test as part of the college and career readiness curriculum. However, it is critical to ensure that other students who were not able to take the exam in the eleventh grade and students at charter schools are given the opportunity to take a nationally-recognized college admissions test in hopes of attending an institution of higher education.

Your Committee has amended this measure by:

- (1) Specifying that an eligible student for the payment of SAT or ACT standardized test examination fees includes public school students in the twelfth grade who have not previously taken the SAT or ACT standardized test examination and public charter school students in the eleventh or twelfth grade who have not taken the SAT or ACT standardized test examination; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2239, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2239, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kim).

SCRep. 2198 Education on S.B. No. 2083

The purpose and intent of this measure is to appropriate funds for after-school programs at Kalaniana'ole Elementary and Intermediate School, Kapaa Middle School, Konawaena Middle School, and Waimea Canyon Middle School.

Your Committee received testimony in support of this measure from the Hawai'i Afterschool Alliance, Hawai'i Arts Alliance, Hawaii Youth Services Network, Native Hawaiian Education Council, Special Education Advisory Council, Parents and Children Together, American Heart Association, and one individual. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that funding for after-school programs is critical for intermediate and middle school students, especially for schools that have a high number of students of Native Hawaiian background, who are being arrested at a higher rate than any other ethnic background. Furthermore, approximately half of first time juvenile arrests are in the middle and intermediate school age group, and most of the behaviors resulting in arrest occur between 3:00 p.m. and 6:00 p.m.

Your Committee further finds that quality after-school programs inspire and motivate children to learn, support children's social and emotional growth, and help raise academic achievement. A study of outcomes associated with participation in after-school programs found that students regularly participating in after-school programs during their elementary school years showed a variety of gains, including narrowing the math achievement gap at grade five between high- and low-income students, improving work habits and self-sufficiency, and reducing the number of school absences. By funding after-school programs at intermediate and middle schools that have a high number of Native Hawaiian students, students will have access to expanded learning opportunities through a range of enrichment and learning activities in various subjects, such as the arts, language, technology, and civic engagement.

Your Committee has heard the testimony of the Department of Education expressing concerns about ensuring that, if this measure were to pass, any appropriated funds from the Legislature for after-school programs would be alongside existing federal funds for UPLINK, an after-school program for middle-school aged children in support of the Temporary Assistance for Needy Families federal grant. Additionally, the Department of Education identified other costs for consideration for the after-school programs, including program administration, monitoring, technical assistance, and evaluation. Your Committee finds that these issues raise concerns that merit further consideration and requests that your Committee on Ways and Means further examine those issues and concerns raised by the Department of Education on this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2083 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kim).

SCRep. 2199 (Joint) Labor and Judiciary on S.B. No. 2801

The purpose and intent of this measure is to:

- (1) Establish the labor law enforcement special fund to finance the collection of penalties for violations of labor law;
- (2) Establish two positions, including an attorney and legal assistant, in the Department of the Attorney General to represent the Department of Labor and Industrial Relations in collecting penalties for violations of law; and

- (3) Appropriate funds into and out of the labor law enforcement special fund.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations, Pacific Resource Partnership, and one individual. Your Committees received comments on this measure from the Tax Foundation of Hawaii.

Your Committees find that this measure aims to improve compliance with labor laws by helping ensure that penalties for violations are collected by the Department of Labor and Industrial Relations. In mid-2017, the Department of Labor and Industrial Relations estimated that it had more than \$2,705,024 in accounts receivable over the past several years. Your Committees further find that hiring an attorney and a legal assistant to pursue these collections would greatly improve the Department of Labor and Industrial Relations' capacity to collect these penalties and efficiently effectuate the intent of labor law.

Your Committees recommend that as this measure moves through the legislative process, your Committee on Ways and Means consider adding reporting requirements relating to the status of the special fund.

Your Committees have amended this measure by:

- (1) Authorizing the labor law enforcement special fund to collect fees, in addition to penalties, as requested by the Department of Labor and Industrial Relations; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Labor and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2801, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2801, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Labor: Ayes, 4. Noes, none. Excused, 1 (English).
 Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 2200 (Joint) Labor and Judiciary on S.B. No. 2351

The purpose and intent of this measure is to:

- (1) Prohibit prospective employers from requesting or considering a job applicant's prior wage or salary history in the job application process; and
- (2) Prohibit enforced wage secrecy and prohibit retaliation or discrimination against employees who disclose, discuss, or inquire about their own or coworkers' wages for the purpose of exercising rights under the law.

Your Committees received testimony in support of this measure from the Hawai'i Civil Rights Commission, Commission on the Status of Women, YWCA O'ahu, Hawaii Appleseed Center for Law & Economic Justice, Planned Parenthood Votes Northwest and Hawaii, Hawai'i State Democratic Women's Caucus, Hawaii State AFL-CIO, American Association of University Women of Hawaii, Windward Oahu Branch of the American Association of University Women, Americans for Democratic Action, and eighteen individuals. Your Committees received testimony in opposition to this measure from the Chamber of Commerce Hawaii and one individual. Your Committees received comments on this measure from the Hawaii Food Industry Association.

Your Committees find that pay disparity persists between men and women who do similar work. Existing Hawaii law generally prohibits an employer from paying an employee at wage rates less than the rates paid to employees of the opposite sex; however, in 2015, the gender wage gap in Hawaii stood at sixteen cents on the dollar and more than twenty cents on the dollar for women of color. This wage gap extends across almost all occupations reporting in Hawaii. Your Committees further find that the ability of employers to consider a job applicant's previous salary history and pay secrecy are contributing factors to the gender pay disparity. Your Committees find that this measure is a step toward ending pay discrimination against women, particularly women of color.

As affirmed by the records of votes of the members of your Committees on Labor and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2351 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Labor: Ayes, 4. Noes, none. Excused, 1 (English).
 Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 2201 (Joint) Labor and Judiciary on S.B. No. 2805

The purpose and intent of this measure is to authorize, except in fair housing cases, the Hawaii Civil Rights Commission Executive Director to either issue a final conciliation demand or dismiss a discrimination complaint and issue a notice of right to sue after a determination of a reasonable cause of discrimination is made.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations and Hawai'i Civil Rights Commission. Your Committees received comments on this measure from the Hawaii Disability Rights Center.

Your Committees find that giving the Hawaii Civil Rights Commission Executive Director the discretion to either issue a final conciliation demand or dismiss the complaint and issue a notice of right to sue will enable the Hawaii Civil Rights Commission to more effectively and efficiently utilize its attorney resources to pursue priority cases in the public interest.

As affirmed by the records of votes of the members of your Committees on Labor and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2805 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Labor: Ayes, 4. Noes, none. Excused, 1 (English).
 Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 2202 (Joint) Labor and Judiciary on S.B. No. 2746

The purpose and intent of this measure is to impose a fine against any employer who discharges from employment, refuses to employ, or takes disciplinary action against any noncustodial parent subject to income withholding, or who fails to comply with an order of assignment of future income.

Your Committees received testimony in support of this measure from the Department of the Attorney General.

Your Committees find that under federal law, each state must have laws in effect that require the imposition of a fine against any employer who:

- (1) Discharges from employment, refuses to employ, or takes disciplinary action against any noncustodial parent subject to income withholding; or
- (2) Fails to withhold support from income or pay the amounts to a child support agency.

Your Committees further find that compliance with this requirement is necessary to maintain the Department of Human Services' eligibility for federal welfare funding and federal funding of child support enforcement programs. Your Committees also find that amending the income withholding requirements increases the effectiveness of the income withholding process and protects the obligor parent from employment discrimination due to the income withholding order.

Your Committees have amended this measure by:

- (1) Inserting missing statutory language; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Labor and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2746, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2746, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Labor: Ayes, 4. Noes, none. Excused, 1 (English).
 Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 2203 (Joint) Commerce, Consumer Protection, and Health and Judiciary on S.B. No. 2304

The purpose and intent of this measure is to reduce use of, and access and exposure to tobacco products by youth through prohibiting the issuance and renewal of retail tobacco permits and the sale of tobacco products or electronic smoking devices within seven hundred fifty feet of schools, public parks, and public housing complexes.

Your Committees received testimony in support of this measure from the Hawaii Public Housing Authority, Blue Zones Project Koolaupoko, American Heart Association, Hawaii Public Health Association, Hawaii Public Health Institute, Hawaii Children's Action Network, Blue Zones Project, Hawaii Chapter – American Academy of Pediatrics, HEALTHY Quit Smoking Program – Kapiolani Medical Center, Keiki Injury Prevention Coalition, American Cancer Society – Cancer Action Network, and thirty-six individuals. Your Committees received testimony in opposition to this measure from the Libertarian Party of Hawaii, Aloha Petroleum, Volcano Fine Electronic Cigarettes, Hawaii Food Industry Association, Retail Merchants of Hawaii, Smokeless Hawaii, Island Vapor, Hawaii Smokers Alliance, Cigar Rights of America, Vape Hawaii, Hawaii Cigar Association, Kauai Cigar Company, Mysteries of Hawaii, and forty-three individuals. Your Committees received comments on this measure from the Department of the Attorney General, Department of Taxation, and Department of Health.

While walking or riding to school, youth may be exposed to advertising of tobacco products and electronic smoking devices or the availability of those products for sale at locations near the school, such as convenience stores, grocery stores, and gas stations. Your Committees note that several cities in the United States have established tobacco retail buffer zones, which are areas in which sales of tobacco products are prohibited, or tobacco products are required to be hidden from view, in retail establishments located within a certain distance of sites such as schools or playgrounds. Retail buffer zones can also be implemented as the issuance of a tobacco retail permit conditioned upon the retailer not operating within a certain distance of sites such as schools or playgrounds. Your Committees find tobacco retail buffer zones to be an effective regulatory strategy in preventing youth initiation to tobacco products.

However, your Committees have also heard the concerns of the tobacco and electronic smoking device industries, which found the definitions of park and school in this measure to be ambiguous and broad enough to possibly put nearly every tobacco and electronic smoking device retailer in the State out of business. Your Committees have also heard concerns from the Department of the Attorney General that this measure could constitute a regulatory taking if existing permits are not grandfathered in, and that this measure could face equal access challenges from adults residing in public housing complexes.

Your Committees find that existing laws, especially the liquor license prohibition codified at section 281-39.5, Hawaii Revised Statutes (HRS), provide a useful guide that addresses many of the above concerns. Your Committees further find that a more narrowly-drawn measure will accomplish many of the same benefits as the original measure while avoiding legal challenges. Your Committees also find that, for ease of regulation, it is preferable to statutorily place the language in this measure in chapter 328J, HRS, rather than to establish a new offense.

Accordingly, your Committees have amended this measure by:

- (1) Changing the statutory placement of the prohibition on sale within chapter 328J, HRS, rather than within chapter 712, HRS;

- (2) Placing the buffer zones only around preschools; public and private elementary, intermediate, or high schools; and public playgrounds utilized extensively by minors, rather than around parks, public housing projects, or schools for adults;
- (3) Reducing the size of the buffer zone from seven hundred fifty feet to five hundred feet, and clarifying that the buffer zone shall extend from the boundary of the protected area to the boundary of the place of business;
- (4) Grandfathering in existing permits until November 30, 2019;
- (5) Including additional clarifying language from section 281-39.5, HRS; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2304, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2304, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4; Ayes with Reservations (Nishihara). Noes, none. Excused, 3 (Ihara, Ruderman, Tokuda).

Judiciary: Ayes, 4; Ayes with Reservations (Kim). Noes, none. Excused, 1 (Thielen).

SCRep. 2204 Commerce, Consumer Protection, and Health on S.B. No. 2464

The purpose and intent of this measure is to establish the misdemeanor offense of exploitative advertising.

Your Committee received testimony in support of this measure from IMUAlliance and UNITE Hawaii. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Board of Massage Therapy.

Your Committee finds that Hawaii is home to over one hundred fifty high-risk sex trafficking establishments. According to testimony received by your Committee, the State is also a target for cyber-trafficking, with over 120,000 advertisements for local prostitution posted online each year. This measure helps prevent the Internet from being used to cover up sexual exploitation by making it illegal for high-risk sex trafficking establishments, such as massage parlors, relaxation therapy establishments, and escort services, to use explicit terms and nude images to sell sexual services, while also holding harmless the owners of the websites on which such advertisements are posted.

However, your Committee notes the concerns raised by the Board of Massage Therapy that this measure as written prevents licensed massage therapists, licensed by the Board of Massage Therapy and further regulated under chapter 452, Hawaii Revised Statutes, from being able to use certain words in legitimate advertisements. Amendments to this measure to address these concerns are therefore needed.

Your Committee has amended this measure by:

- (1) Clarifying the offense of exploitative advertising by:
 - (A) Removing references to the terms “massage”, “relaxation”, and “spa” and inserting a reference to the term “escort”; and
 - (B) Including in the description of prohibited print, broadcast, or electronic advertisements, or advertisement directories any words, acronyms, or images that imply activities contrary to the law governing licensed massage therapists; and
- (2) Deleting from the definition of “relaxation therapy” references to reflexology and spa treatment services, as these are methods of treatment otherwise permitted to be used by licensed massage therapists.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2464, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2464, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 2205 Commerce, Consumer Protection, and Health on S.B. No. 2775

The purpose and intent of this measure is to establish the Hawaii Health Insurance Guaranty Association, an insurance guaranty fund for Hawaii domestic medical service organizations and health maintenance organizations.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs. Your Committee received comments on this measure from Kaiser Permanente Hawaii; Hawaii Medical Service Association; Coalition of Health Insurers (Aetna, Anthem, Cigna, Health Care Services Corporation, and United); and American Council of Life Insurers.

Your Committee finds that Hawaii has two insurance guaranty associations that provide payment mechanisms for eligible covered claims when insurers are insolvent: the Hawaii Insurance Guaranty Association, which covers direct property and liability contracts, and the Hawaii Life and Disability Insurance Guaranty Association, which covers life and accident and health or sickness insurance policies and insurance contracts.

Your Committee further finds that under the Hawaii Life and Disability Insurance Guaranty Association’s existing structure, if a mutual benefit society, health maintenance organization, or dental insurer becomes insolvent, the policy members of those insurers will be unable to access any relief through the Hawaii Life and Disability Insurance Guaranty Association. This measure therefore creates

the Hawaii Health Insurance Guaranty Association, closely modeled on the organizational structure of the Hawaii Life and Disability Insurance Guaranty Association, as a way to provide relief to those affected members should an insolvency occur.

According to testimony from the Department of Commerce and Consumer Affairs, this measure requires mutual benefit society and health maintenance organization members to be responsible for similar members' health insurance insolvencies, while dental insurers are to be responsible for dental insurer insolvencies, an important separation necessary to ensure that dental insurers are not assessed for health insurers' insolvencies and vice versa. Your Committee notes that this measure protects health and dental insurance policyholders and health care providers and also encompasses agents, service providers, and other creditors in cases of medical service organization, health maintenance organization, or dental insurer financial insolvencies, where no protection mechanism existed before.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2775, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2775, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 2206 (Joint) Government Operations and Economic Development, Tourism, and Technology on S.B. No. 2454

The purpose and intent of this measure is to:

- (1) Prohibit the State and its political subdivisions from collecting or using a person's electronic data or metadata by means of a cell site simulator device, except under certain conditions;
- (2) Prohibit the installation and use of a cell site simulator device without a court order;
- (3) Specify conditions when a cell site simulator device may be used;
- (4) Specify procedures for application and issuance of an order for a cell site simulator device; and
- (5) Specify reporting requirements related to cell site simulator device applications.

Your Committees received testimony in support of this measure from one individual. Your Committees received testimony in opposition to this measure from the Department of the Prosecuting Attorney for the City and County of Honolulu.

Your Committees find that the unauthorized collection and use of individuals' electronic data or metadata is a major concern that threatens personal security and the trust relationship between the government and public. One way that government is able to capture personal electronic data or metadata is through the use of cell site stimulator devices. These devices, which masquerade as legitimate cellular service hardware, allow government agencies to "trick" cellular devices into connecting to the device rather than an actual cellular service tower. The use of these devices by government agencies without consent or legal authorization has become more widespread and threatens the privacy rights of individuals. Therefore, your Committees find that the unauthorized use of cell site stimulator devices by the State or any of its political subdivisions needs clearly defined limits and proper oversight to ensure the protection of fundamental individual rights.

However, your Committees recognize the concerns raised in testimony by the Department of the Prosecuting Attorney for the City and County of Honolulu regarding law enforcement's potential need for cell site simulator devices in certain emergency situations. Accordingly, your Committees find that there should be an exception for the use of cell site simulators based on a good faith belief that an emergency involving a danger of death or serious bodily injury to a person requires the use of such a device. In addition, your Committees agree with testimony presented that the definition of cell site simulator devices should not be able to be interpreted to include devices employed by the 911 emergency system when rendering emergency aid or assistance.

Accordingly, your Committees have amended this measure by:

- (1) Adding an exception for the use of cell site simulators based on a good faith belief that an emergency involving a danger of death or serious bodily injury to a person requires the use of such a device;
- (2) Amending the definition of "cell site simulator device" such that it does not include any device used as part of the State's 911 emergency system for the purpose of rendering emergency aid or assistance; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Economic Development, Tourism, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2454, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2454, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Government Operations: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

Economic Development, Tourism, and Technology: Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 2207 (Joint) Government Operations and Labor on S.B. No. 2598

The purpose and intent of this measure is to:

- (1) Require each department to deduct the department's total salary overpayment from the department's budget request for the following fiscal biennium;
- (2) Require that employees who exhaust their sick leave be placed on a manual accounting system;
- (3) Repeal the two-year statute of limitations on determination and notice to an employee of salary and wage overpayment; and
- (4) Allow officers charged with collecting debt due to salary or wage overpayment to garnish the pension of former employees.

Your Committees received comments on this measure from the Department of Accounting and General Services, Department of Education, Department of Budget and Finance, and Employees' Retirement System.

Your Committees find that salary overpayments have been an ongoing issue throughout many departments and agencies of the State. These overpayments create needless government waste and strain government resources. In fact, these overpayments total millions of dollars each year. For example, in November 2016, state departments and agencies overpaid salaries in the amount of \$622,266.14. From that point through October 2017, state departments and agencies continued overpaying salaries in an amount exceeding \$415,000 each month. Your Committees find that adherence to stricter guidelines for clawing back overpayments and greater accountability amongst state departments and agencies is necessary to reduce overpayment waste.

However, your Committees acknowledge the concerns raised by testimony from the Employees' Retirement System. The Employees' Retirement System indicated that the proposed requirements would be difficult to implement, including the means by which an overpayment would be properly vetted to garnish a former employees' pension. In addition, the Employees' Retirement System raised concerns that the proposed requirements would make it exceedingly difficult to properly calculate benefits for former employees. Consequently, your Committees suggest that if your Committee on Ways and Means decides to hear this measure, that your Committee on Ways and Means investigate these concerns further.

Accordingly, your Committees have amended this measure by changing the effective date to July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Government Operations and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2598, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2598, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Government Operations: Ayes, 5. Noes, none. Excused, none.
 Labor: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2208 (Joint) Government Operations and Labor on S.B. No. 2913

The purpose and intent of this measure is to:

- (1) Require all government procurement officers to attend a training and development program prior to participating in or authorizing any procurement;
- (2) Require all government procurement officers to complete review training every three years;
- (3) Require all procurement officers, department heads, and their deputies, except for the administrator, to attend mandatory procurement training within ninety days of appointment; and
- (4) Appropriate funds to update training modules and implement the training for the procurement workforce of the State.

Your Committees received testimony in support of this measure from the State Procurement Office. Your Committees received comments on this measure from the Department of Human Resources Development.

Your Committees find that those in the State's procurement workforce often lack proper training and education in the State's procurement code. Your Committees find that existing law needs to be clarified so that all individuals involved in the procurement process are required to receive proper training on the procurement code. In addition, your Committees find the field of procurement is varied, complex, and changes often. Therefore, your Committees find that procurement training should be ongoing and that individuals involved with procurement should regularly update their training to stay current on their knowledge of the Code. Moreover, your Committees find that there is often a significant lag in time from when the officer is first appointed and when they receive procurement code training. Therefore, your Committees find that time period to receive training should be definite and immediate.

As affirmed by the records of votes of the members of your Committees on Government Operations and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2913 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Government Operations: Ayes, 5. Noes, none. Excused, none.
 Labor: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2209 (Joint) Government Operations and Labor on S.B. No. 3100

The purpose and intent of this measure is to consolidate the Department of Budget and Finance and the Department of Human Resources Development into the Department of Budget, Finance, and Human Resources and to transfer functions and duties accordingly.

Your Committees received testimony in opposition to this measure from the Department of Human Resources and Development. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that creating efficiencies in government is essential to maintaining proper government function and instilling public confidence in government. Moreover, government efficiency promotes healthier interactions between government and the public and ultimately produces better outcomes. Under existing law, there exist two separate executive departments, the Department of Human Resources Development and the Department of Budget and Finance. Your Committees find that maintaining these two separate departments is unnecessary and inefficient. For example, maintaining these two agencies as separate entities often causes significant delays in hiring. This problem is of particular concern given the State's aging workforce and the looming need to fill numerous positions in a timely manner. Your Committees also note that other jurisdictions successfully employ a single agency to handle the duties and responsibilities that our state government divides between the Department of Human Resources Development and Department of Budget and Finance. Accordingly, while your Committees acknowledge that changes such as the one proposed in this measure can create uncertainties, your Committees find that the proposed changes would make state government more efficient and better served by specifically combining the Department of Human Resources Development and the Department of Budget and Finance into a single department.

As affirmed by the records of votes of the members of your Committees on Government Operations and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3100 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Government Operations: Ayes, 5; Ayes with Reservations (Ruderman). Noes, none. Excused, none.

Labor: Ayes, 4; Ayes with Reservations (Ihara). Noes, none. Excused, 1 (Taniguchi).

SCRep. 2210 (Joint) Labor and Education on S.B. No. 2042

The purpose and intent of this measure is to include school psychologists in bargaining unit (5).

Your Committees received testimony in support of this measure from the Hawaii Association of School Psychologists and five individuals. Your Committees received testimony in opposition to this measure from the Hawaii State Teachers Association.

Your Committees find that bargaining unit (5), Hawaii State Teachers Association, includes teachers, school counselors, and school librarians. Counselors and librarians that are not specific to schools are included in other bargaining units. School psychologists are included in bargaining unit (13), which includes professional and scientific employees, who cannot be included in any of the other bargaining units. Most members of unit (13) can obtain licensing through the department of commerce and consumer affairs to work outside of the department of education; however, school psychologists are exempt from licensing and other requirements under chapter 465, Hawaii Revised Statutes. Accordingly, your Committees acknowledge that, as specialists that are specific to working in schools, it may be appropriate to include school psychologists within bargaining unit (5). However, your Committees note that this measure is a work in progress and encourage the interested parties to continue to work together to determine the most appropriate bargaining unit for school psychologists.

Your Committees have amended this measure by inserting an effective date of January 1, 2065, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Labor and Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2042, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2042, S.D. 2, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Labor: Ayes, 3. Noes, none. Excused, 2 (Chang, Taniguchi).

Education: Ayes, 4. Noes, none. Excused, 1 (Kahele).

SCRep. 2211 Higher Education on S.B. No. 2328

The purpose and intent of this measure is to, beginning with the 2020-2021 school year, require all courses at all campuses within the University of Hawai'i system that require the use of instructional materials to exclusively use instructional materials from the open educational resources at the University of Hawai'i, under certain conditions.

Your Committee received testimony in support of this measure from the Associated Students of the University of Hawai'i – Hawai'i Community College. Your Committee received testimony in opposition to this measure from the University of Hawai'i System, University of Hawai'i Professional Assembly, Manoa Faculty Senate Executive Committee, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and numerous individuals.

Your Committee finds that the cost of attending college continues to rise. According to the College Board, the cost of tuition and fees for attending an in-state public college for the 2017-2018 academic year averaged \$9,970, while the average cost for books and supplies for the same academic year at public colleges averaged \$1,250. Despite Hawaii's overall high affordability ranking according to a study in 2016 by the Institute for Research on Higher Education at the University of Pennsylvania Graduate School of Education, attending college was a big expense for families earning less than \$30,000 annually and the State's financial aid policies did little to alleviate costs for these families. Therefore, new and innovative solutions need to be implemented to lower other costs associated with attending school within the University of Hawai'i system.

Your Committee further finds that since 2015, open educational resources at the University of Hawai'i has offered free instructional materials to potentially lower the cost of higher education, provide faculty more control over their instructional materials, and enable new ways of learning for students. Specifically, open educational resources offers learning, teaching, and research resources that are either in the public domain or have been released with an intellectual property license that permits free reuse and repurposing. Through faculty use of open educational resources since its adoption, this technology-driven instructional content has saved students hundreds of thousands of dollars in textbook costs.

Your Committee further finds that, after noting the concerns of numerous testimony from University of Hawai'i faculty, it will always be the right of the faculty to teach their courses in the best manner that they see fit and that faculty are the experts in curriculum

development and pedagogy. However, your Committee wants to provide support to faculty who are interested in lowering costs for students in higher education by using open educational resources in their classrooms.

Your Committee has amended this measure by deleting its contents and inserting language that:

- (1) Establishes the University of Hawai'i open educational resources task force to conduct a comprehensive analysis and evaluation on all general education courses and high attendance courses taught at the University of Hawai'i system to identify open educational resources for those courses;
- (2) Establishes and appropriates funds for an open educational resources pilot project grant program to incentivize faculty that adopt, develop, and implement open educational resources; and
- (3) Requires the University of Hawai'i open educational resources task force to report its findings and recommendation initiatives for supporting and expanding the use of open educational resources at the University of Hawai'i to the Legislature prior to the Regular Session of 2019.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2328, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2328, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2212 (Joint) Higher Education and Transportation and Energy on S.B. No. 2832

The purpose and intent of this measure is to:

- (1) Allow funds appropriated by the Legislature to be deposited into the University of Hawai'i green special fund;
- (2) Clarify the scope of projects that can be funded by the special fund to include energy efficiency, energy conservation, renewable energy, and sustainability projects;
- (3) Expand the authority of the chief financial officer of the University of Hawai'i to collect, expend, and transfer monies from the special fund; and
- (4) Specify that all expenditures from the special fund shall be subject to legislative approval.

Your Committees received testimony in support of this measure from the University of Hawai'i System, Ulupono Initiative, Hawai'i Energy, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that green revolving funds are common at many college and university campuses across the country that are dedicated to addressing sustainable facilities, operations, and behaviors. These green revolving funds are typically managed by the University to fund energy efficiency, renewable energy, sustainability, and energy conservation projects that reduce energy use and consumption. Act 186, Session Laws of Hawaii 2017, established the University of Hawai'i green special fund to collect and expend monies generated by energy savings from energy efficiency, renewable energy, and sustainability projects. This measure enables the University of Hawai'i to more efficiently administer and manage the University of Hawai'i green special fund.

Your Committees have amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2832, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2832, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Higher Education: Ayes, 3. Noes, none. Excused, 2 (Kidani, Kim).
Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 2213 (Joint) Public Safety, Intergovernmental, and Military Affairs and Housing on S.B. No. 2157

The purpose and intent of this measure is to establish a temporary refundable income tax credit of twenty-five percent of the total costs, including installation costs, of an automatic fire suppression system in any new detached one- or two-family dwelling unit in a structure used only for residential purposes.

Your Committees received testimony in support of this measure from the State Fire Council, Hawai'i State Association of Counties, General Contractors Association of Hawaii, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and Kaua'i County Councilmember Derek S.K. Kawakami. Your Committees received comments on this measure from the Department of Taxation, Building Industry Association Hawaii, and Tax Foundation of Hawaii.

Your Committees find that enhanced fire safety measures in residential homes are needed to effectively protect citizens and their property from devastating losses. The vast majority of one- and two-family residences in the State lack automatic fire suppression, or sprinkler, systems. Your Committees find that the primary reason for the lack of home fire sprinkler systems is cost. Therefore, your Committees find that it is important to provide incentives to homeowners to promote more widespread installation of automatic fire suppression systems. Further, your Committees find that an individual income tax credit is an effective method for incentivizing the adoption of this residential fire safety measure.

However, your Committees have concerns about restricting the proposed tax credit to one- or two-family dwelling units. Your Committees find that the proposed tax credit should apply more broadly to all new residential units. Your Committees also recommend

that if your Committee on Ways and Means decides to hear this measure, your Committee on Ways and Means should investigate the appropriateness of broadening the proposed tax credit.

In addition, your Committees agree with the suggestion presented in testimony by the Tax Foundation of Hawaii that the proposed tax credit be non-refundable.

Accordingly, your Committees have amended this measure by:

- (1) Amending language to make all new detached dwelling units used only for residential purposes eligible for the proposed tax credit;
- (2) Changing the proposed tax credit to a non-refundable tax credit;
- (3) Changing the taxable year upon which the proposed credit shall apply to taxable years beginning after December 31, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2157, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2157, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Wakai).

Housing: Ayes, 3. Noes, none. Excused, 2 (Green, Kahele).

SCRep. 2214 (Joint) Public Safety, Intergovernmental, and Military Affairs and Agriculture and Environment on S.B. No. 3032

The purpose and intent of this measure is to:

- (1) Repeal the exemption for agricultural lands that are subdivided and leased for agricultural uses or activities from compliance with county subdivision standards;
- (2) Require condominium property regimes to comply with county subdivision requirements; and
- (3) Repeal the exemption for certain condominium property regimes that are to be sold for \$1,000,000 or more from mandatory registration with the Real Estate Commission.

Your Committees received testimony in support of this measure from the Department of Planning and Permitting, City and County of Honolulu; and Hawaiian Civic Club of Honolulu. Your Committees received testimony in opposition to this measure from the Hawai'i Farm Bureau. Your Committees received comments on this measure from the Department of Agriculture, Department of Commerce and Consumer Affairs, and Office of Planning.

Your Committees find that expanded development of agricultural lands through the existing condominium property regime process threatens the long-term viability of these newly developed condominiums. Since existing laws require that condominium property regimes comply with county zoning but not county subdivision requirements, the county lacks an opportunity to review proposed developments and ensure that there is sufficient infrastructure to support these developments. Your Committees find that the counties should have the opportunity to provide greater input and play a larger role in the process of condominium property regime development on agricultural lands and that condominium developers should not be able to bypass county subdivision requirements. In addition, your Committees find that the existing exemption for certain condominium property regime projects with units to be sold for \$1,000,000 or more from the requirement to be registered with the Real Estate Commission should be eliminated to ensure greater oversight of the condominium property regime process.

Further, your Committees note testimony from the Office of Planning relating to storage and equipment sheds and other similar structures on leased agricultural lands. Your Committees recognize that existing statutes prohibit permanent or temporary dwellings or farm dwellings, including trailers and campers, on the lease lots created. However, your Committees have concerns about storage and equipment sheds and other similar structures being converted to residential use. Therefore, your Committees find that it is important to specifically prohibit such sheds and buildings on leased agricultural lands from being converted to residential use.

Your Committees also note the testimony of the Department of Commerce and Consumer Affairs relating to application for registration of a project in a county agricultural zoning district or preservation zoning district. Your Committees agree that any application for such a project should include a verified statement from the appropriate county official demonstrating the project's compliance with county subdivision requirements.

Accordingly, your Committees have amended this measure by:

- (1) Prohibiting the use of storage sheds, equipment sheds, or other structures appropriate to the agricultural activity carried on within leased agricultural lands for residential purposes for any length of time;
- (2) Inserting language to require that an application for registration of a project in a county agricultural zoning district or preservation zoning district include a verified statement, signed by an appropriate county official, that the project is in compliance with any supplemental county ordinances and rules; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B.

No. 3032, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3032, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Wakai).

Agriculture and Environment: Ayes, 5. Noes, none. Excused, none.

SCRep. 2215 (Joint) Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on S.B. No. 2818

The purpose and intent of this measure is to allow the Department of Public Safety Narcotics Enforcement Division Administrator to disclose, at their discretion, confidential information from the Electronic Prescription Accountability System, more commonly known as the Prescription Drug Monitoring Program, to authorized employees of the Department of Health Alcohol and Drug Abuse Division and the Emergency Medical Services and Injury Prevention Systems Branch.

Your Committees received testimony in support of this measure from the Department of Public Safety and Department of Health.

Your Committees find that opioid addiction and abuse are a growing problem that threatens the health and well-being of the public. Opioid addiction and abuse can have serious consequences, including death, and should therefore be confronted by employing every available tool at the State's disposal. Your Committees find that one way to combat the growing opioid crisis is to provide certain health officials with authority to analyze data from the Prescription Drug Monitoring Program so that they can help reduce addiction, overdose, and death from opioid use. Accordingly, this measure allows the Department of Public Safety Narcotics Enforcement Division Administrator to disclose confidential information from the Prescription Drug Monitoring Program to authorized employees of the Department of Health Alcohol and Drug Abuse Division and the Emergency Medical Services and Injury Prevention Systems Branch.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2818 and recommend that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 2216 Human Services on S.B. No. 2309

The purpose and intent of this measure is to make the State's nonrefundable earned income tax credit (EITC) refundable.

Your Committee received testimony in support of this measure from Parents and Children Together, Hawaii Children's Action Network, American Association of University Women-Hawaii, Hawaii State Coalition Against Domestic Violence, Hawaii Women's Coalition, Hawai'i Alliance for Community-Based Economic Development, Hawaii Appleseed Center for Law & Economic Justice, Pono Hawai'i Initiative, Life of the Land, Hawaiian Community Assets, Hawaii Alliance for Progressive Action, Hawai'i State Democratic Women's Caucus, and six individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that Act 107, Session Laws of Hawaii 2017, established a nonrefundable EITC. Your Committee further finds that the federal EITC is refundable, and two-thirds of families in Hawaii who are eligible for the State's EITC are not benefitting because the tax credit is nonrefundable. Your Committee notes that the EITC is designed as an anti-poverty program to help low-income families and would assist families in need. Making the EITC refundable would assist a greater number of families in need.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2309 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2217 (Joint) Human Services and Commerce, Consumer Protection, and Health on S.B. No. 2502

The purpose and intent of this measure is to appropriate funds for purchasing, staffing, and operating two mobile clinics to serve the homeless population.

Your Committees received testimony in support of this measure from the Governor's Coordinator on Homelessness; Office of the Mayor, County of Hawai'i; Hawai'i Primary Care Association; Hawai'i Pacific Health; The Queen's Health Systems; Advance Practice; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that homeless families and individuals face a myriad of issues, including general health issues, mental illness, and substance abuse. Your Committees further find that these issues also impact the general population through the costs of social and health care services.

Your Committees note that mobile clinics are increasing in popularity across the nation as governments find ways to address the health care needs of the homeless population. One estimate from 2016 found that each dollar spent on mobile clinics saved twelve dollars in other costs.

As affirmed by the records of votes of the members of your Committees on Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2502 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 1 (Wakai).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

SCRep. 2218 (Joint) Human Services and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2305

The purpose and intent of this measure is to:

- (1) Acknowledge adverse experiences faced by children of incarcerated parents;
- (2) Encourage continued efforts and engagement between the Department of Human Services, Department of Public Safety, Family Reunification Working Group, and other community stakeholders;
- (3) Establish visitation centers for incarcerated parents to reunite with their children, to be operated by a non-profit organization in cooperation with the Department of Human Services and Department of Public Safety, and a plan for visitation centers at all state operated correctional facilities; and
- (4) Appropriate funds for work necessary to establish, develop, and implement the visitation centers.

Your Committees received testimony in support of this measure from the Department of Public Safety, Hawaii Children's Action Network, Blueprint for Change, Family Reunification Working Group, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Planned Parenthood Votes Northwest and Hawaii, Young Progressives Demanding Action, Community Alliance on Prisons, Going Home Hawaii, YWCA O'ahu, Ka Lāhui Hawai'i Political Action Committee, and nine individuals. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that children of incarcerated parents are more likely to be incarcerated themselves as teenagers or adults. Your Committees further find that parental incarceration is noted as a strong risk factor and determinant for many adverse outcomes for children, including antisocial and violent behavior, mental health problems, failure to graduate from school, and unemployment.

Your Committees believe the establishment of a place of family visitation, known as a visitation center, is in the best interest and well-being of a child and may have many benefits for the incarcerated parent, community, and State.

As affirmed by the records of votes of the members of your Committees on Human Services and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2305 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3. Noes, none. Excused, 2 (Tokuda, Wakai).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Thielen, Wakai).

SCRep. 2219 Water and Land on S.B. No. 2286

The purpose and intent of this measure is to:

- (1) Require all use permits at the Ala Wai Boat Harbor to be obtained at public auction;
- (2) Require that public notice of the public auction for a use permit at the Ala Wai Boat Harbor be given and include certain information;
- (3) Require all public auctions for use permits at the Ala Wai Boat Harbor to be conducted by the Chairperson of the Board of Land and Natural Resources or an authorized employee of the Department of Land and Natural Resources under the direction of the Board of Land and Natural Resources without additional compensation; and
- (4) Establish that a use permit at the Ala Wai Boat Harbor be valid for two years.

Your Committee received testimony in support of this measure from the Hawaiian Civic Club of Honolulu. Your Committee received testimony in opposition to this measure from Quicksilver Charters, Calypso Charters, Ocean Tourism Coalition, and Teralani Sailing Adventures. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that the Ala Wai Boat Harbor is the State's largest small boat harbor, with over seven hundred fifty berths and moorings. According to the Department of Land and Natural Resources, the mooring fees at Ala Wai Boat Harbor, which are separate from the revenue that is generated by land concessions, such as parking at the harbor, do not cover the costs of managing, maintaining, repairing, replacing, and improving the mooring slips and associated infrastructure used by the boaters moored at the harbor. This measure will generate additional revenue to cover the costs of the mooring program and associated infrastructure to support the State's boating and ocean recreation program.

Your Committee notes the concern raised by the Department of Land and Natural Resources that conducting a public auction for a person to obtain a use permit at the Ala Wai Boat Harbor would be a tedious process to implement.

Accordingly, your Committee has amended this measure by:

- (1) Adding language to authorize the Chairperson of the Board of Land and Natural Resources to contract for services as may be necessary to conduct a public auction for use permits at the Ala Wai Boat Harbor;
- (2) Extending the validity of the use permits at the Ala Wai Boat Harbor from two years to five years; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2286, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2286, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Riviere, Thielen). Noes, none. Excused, 1 (Inouye).

SCRep. 2220 Water and Land on S.B. No. 2867

The purpose and intent of this measure is to appropriate funds to the Department of Land and Natural Resources to establish two full-time equivalent fisheries technician IV positions and for operating expenses for a recreational fishing program at the Nuuanu Reservoir.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and twelve individuals.

Your Committee finds that the Department of Land and Natural Resources used to operate a highly successful recreational fishing program at the Nuuanu Reservoir for many years. This measure will provide the financial and operational support to reestablish this popular program.

Your Committee has amended this measure by:

- (1) Clarifying that the position request is for two permanent positions; and
- (2) Clarifying that the recreational fishing program at the Nuuanu Reservoir is the Nuuanu Reservoir Recreational Fishing Program at Nuuanu Reservoir number four.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2867, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2867, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2221 Water and Land on S.B. No. 2995

The purpose and intent of this measure is to appropriate funds to upgrade the Department of Land and Natural Resources' Division of Conservation and Resources Enforcement's trucks currently in use in the County of Hawaii.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and one individual.

Your Committee finds that vehicle access into remote areas of the County of Hawaii is necessary to patrol and enforce the law on the lands that the Department of Land and Natural Resources manages. This measure will provide resources to enable the upgrade and retrofitting of the vehicle fleet of the Division of Conservation and Resources Enforcement with better off-road capabilities to support the Department's important functions.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2995, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2995, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2222 (Joint) Education and Labor on S.B. No. 2380

The purpose and intent of this measure is to amend the Board of Education membership by inviting the exclusive representative for bargaining unit 5 (teachers and other personnel of the Department of Education) to appoint a nonvoting public school teacher representative to the Board.

Your Committees received testimony in support of this measure from the Hawaii State Teachers Association and IMUAlliance. Your Committees received comments on this measure from one individual.

Your Committees find that the Board of Education consists of nine members, none of whom are required to be public school teachers, and that the Board will benefit from the appointment of a current public school teacher, to serve as a nonvoting representative to the Board, as this teacher can provide first-hand experience and expertise on the educational climate in Hawaii's public schools and explain the resources teachers need to help Hawaii's students. An appointed public school teacher on the Board will provide insight into current and proposed educational practices and policies and the effects of those practices and policies on teachers, students, and the community.

As affirmed by the records of votes of the members of your Committees on Education and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2380 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.

Education: Ayes, 4. Noes, none. Excused, 1 (Kahele).

Labor: Ayes, 3. Noes, none. Excused, 2 (Chang, Taniguchi).

SCRep. 2223 Ways and Means on S.B. No. 937

The purpose and intent of this measure is to improve the flexibility of the Department of Budget and Finance in structuring general obligation bond sales, by authorizing the department to use premiums received from the sale of bonds to finance the capital expenditures that are to be funded by the bond proceeds.

Your Committee received testimony in support of this measure from the Department of Budget and Finance.

Your Committee finds that section 39-6, Hawaii Revised Statutes, requires that any premiums received from the sale of general obligation bonds be deposited directly into the general fund. Your Committee further finds that this measure will allow the Department of Budget and Finance to consider the amount of bond premiums available to defray the total costs of the capital project, thereby providing the department with the option to reduce the bond issue accordingly.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 937 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (English, Kidani).

SCRep. 2224 Ways and Means on S.B. No. 2086

The purpose and intent of this measure is to facilitate the collection of use taxes by requiring:

- (1) Individuals to report and remit use tax liabilities on their individual income tax returns; and
- (2) The Department of Taxation to provide taxpayers with certain information regarding their use tax obligations.

Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that the use tax is intended to complement the general excise tax, which is a gross receipts tax imposed upon sellers of goods and services for the privilege of doing business in Hawaii. When a purchase is made from a seller who is not subject to the general excise tax, the purchaser becomes subject to the use tax. This policy is intended to impose the same tax obligation on a transaction regardless of whether the seller is subject to the general excise tax.

Your Committee further finds that few individuals are aware of their use tax obligations and even fewer comply with the law, and as a result, a significant amount of tax revenue goes uncollected each year. Accordingly, your Committee believes that requiring taxpayers to report use tax obligations on their individual income tax returns will increase compliance and allow the collection of a significant amount of tax revenue owed to the State.

Your Committee has amended this measure by:

- (1) Replacing references to "calendar year" with "calendar or fiscal year," as appropriate, to reflect the fact that Chapter 238, Hawaii Revised Statutes, authorizes the filing of use tax returns on either a calendar or fiscal year basis;
- (2) Codifying in Chapter 238, Hawaii Revised Statutes, the requirement that the Department of Taxation provide taxpayers with certain information regarding use tax obligations; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2086, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2086, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Riviere, Shimabukuro).

SCRep. 2225 Ways and Means on S.B. No. 2484

The purpose and intent of this measure is to maintain the responsibility of Hawaii residents to pay a fair and equitable tax on large estates.

More specifically, this measure increases estate taxes for Hawaii net taxable estates valued at over \$10,000,000.

Your Committee received testimony in support of this measure from the Hawaii Appleseed Center for Law and Economic Justice, IMUAlliance, Life of the Land, and five individuals.

Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that the federal government has significantly raised the threshold for the federal estate tax. Public Law No. 115-97, originally introduced in Congress as the Tax Cuts and Jobs Act, doubles the threshold of the federal estate tax, which will result in a reduction in federal estate tax revenues. Your Committee also finds that, by amending Hawaii's estate tax thresholds and rates, the State can capture some of the money that certain residents will no longer be required to pay to the federal government and redirect that money to the State. Your Committee believes that any additional estate tax revenue paid to the State could be used to pay for priorities that the federal government will no longer be able to support due to the significant reduction of estate tax revenues.

Your Committee has amended this measure by:

- (1) Deleting the amendment to section 236E-6, Hawaii Revised Statutes, which would have added an erroneous statutory cross reference to that section;
- (2) Changing the base tax amount due on Hawaii net taxable estates valued at over \$10,000,000 from \$1,200,000 to \$1,385,000; and
- (3) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2484, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2484, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Kidani).

SCRep. 2226 Ways and Means on S.B. No. 2506

The purpose and intent of this measure is to promote tax compliance by increasing from five percent to nine percent the percentage of income tax withheld on the amount realized by nonresidents from the disposition of Hawaii real property.

Your Committee received testimony in support of this measure from the Hawaii Association of Public Accountants and two individuals.

Your Committee received testimony in opposition to this measure from one individual.

Your Committee received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and one individual.

Your Committee finds that it is difficult and costly to collect unpaid taxes from nonresident sellers of Hawaii real estate. Your Committee further finds that this measure will allow the State to recover taxes from nonresident sellers who fail to file Hawaii tax returns and pay applicable taxes generated by income from the property sold.

Your Committee has amended this measure by:

- (1) Changing the withholding rate from nine percent to 7.25 percent; and
- (2) Providing that the Act shall apply to real estate dispositions that occur on or after September 15, 2018.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2506, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2506, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Kidani).

SCRep. 2227 (Joint) Human Services and Commerce, Consumer Protection, and Health on S.B. No. 2211

The purpose and intent of this measure is to further expand the scope of the concussion educational program to protect all children in the State.

Your Committees received testimony in support of this measure from the Department of Education, University of Hawai'i System, Hawai'i Psychological Association, Ho'omanapono Political Action Committee, and eight individuals. Your Committees received comments on this measure from the Hawaii Athletic Trainers' Association.

Your Committees find that Act 197, Session Laws of Hawaii 2012, required the Department of Education and Hawaii High School Athletic Association to develop a concussion educational program for students ages fourteen to eighteen. Your Committees further find that Act 262, Session Laws of Hawaii 2016, expanded the scope of the concussion educational program to cover students age eleven to eighteen and added program requirements. Your Committees note that the University of Hawaii is currently working on a concussion educational program for middle and elementary school students.

Your Committees have amended this measure by:

- (1) Amending the definition of "school athletics" to specify athletic events starting from third grade;
- (2) Amending the definition of "youth athletic activity" to mean activities where the majority of participants are eight years of age and older;
- (3) Inserting an appropriation for the continuation of the concussion educational program for middle and elementary school students; and
- (4) Making the appropriation effective on July 1, 2018.

As affirmed by the records of votes of the members of your Committees on Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2211, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2211, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.
Human Services: Ayes, 5. Noes, none. Excused, none.
Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Ruderman).

SCRep. 2228 (Joint) Transportation and Energy and Human Services on S.B. No. 2013

The purpose and intent of this measure is to provide homebound individuals an option to renew their identification cards without going to a satellite city hall by requiring the Department of Transportation to develop rules to allow homebound individuals to renew their identification card by means other than an in person appearance, if the individual has a severe disability that is certified by a physician.

Your Committees received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and one individual. Your Committees received testimony in opposition to this measure from the Department of Transportation.

Your Committees find that individuals who are homebound due to a severe disability should not be denied identification cards because they are unable to renew their cards in person. Providing these homebound individuals an option to renew their cards without needing to make an in person appearance is prudent. However, your Committees find that limiting this alternate renewal option to individuals who have a physician's letter certifying severe disability does not achieve the full intent of this measure. The lack of physicians in certain areas could mean that getting a physician's letter is just as impractical as making an in person appearance for renewal.

Thus, your Committees have amended this measure to broaden the scope of acceptable documentation certifying the severe disability by changing the phrase "physician's letter" to "letter from a licensed primary care provider".

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2013, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2013, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Shimabukuro).

Human Services: Ayes, 3. Noes, none. Excused, 2 (Tokuda, Wakai).

SCRep. 2229 Transportation and Energy on S.B. No. 2888

The purpose and intent of this measure is to authorize the issuance of general obligation bonds for the planning, design, and construction of the Pā'ia Bypass, which will alleviate traffic in Pā'ia.

Your Committee received testimony in support of this measure from the Department of Transportation, Maui County Council Chair Mike White, Pā'ia Town Association, and fourteen individuals.

Your Committee finds that traffic in Pā'ia during peak seasons can be disruptive and create safety problems, due to the small size of the town. Constructing a bypass south of the town will alleviate traffic and further passenger and pedestrian safety for visitors and residents.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2888 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2230 Transportation and Energy on S.B. No. 2551

The purpose and intent of this measure is to remove resisting an order to stop a motor vehicle in the first degree from the list of exempted offenses for which criminal charges may be brought by written information.

Your Committee received testimony in support of this measure from the Honolulu Police Department and Department of the Prosecuting Attorney, County of Maui.

Your Committee finds that this measure would provide the opportunity to provide facts establishing probable cause by way of declaration, instead of requiring law enforcement officers to appear in court to testify at preliminary hearings or before a grand jury. This will provide for a quicker charging process and eliminate the need for a preliminary hearing, freeing up court and law enforcement resources. Your Committee notes that all the offenses of resisting an order to stop a motor vehicle in the first degree on Maui last year had a companion charge that would not have needed a court appearance, and it was only because of the resisting an order offense that a preliminary hearing or grand jury was required.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2551 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2231 Transportation and Energy on S.B. No. 2256

The purpose and intent of this measure is to eliminate the exemption U-drive motor vehicles have with regard to the additional fee on certificate of registrations that goes toward the highway beautification and disposal of abandoned or derelict vehicles revolving fund.

Your Committee received testimony in support of this measure from the Department of Transportation; Office of the Mayor, County of Maui; Maui County Council Chair Mike White; Maui County Councilmember Riki Hokama; Department of Finance, County of Maui; County of Maui Department of Environmental Management; and one individual.

Your Committee finds that abandoned and derelict cars discarded on Hawaii roads mar the beauty of the State and pose a danger to the public by creating unsafe driving conditions. The fees implemented by this measure will help defray the costs of disposing abandoned or derelict vehicles. In addition, U-drive motor vehicles share the road alongside other vehicles, and thus should contribute equally to highway beautification; this measure would lead to U-drive motor vehicles and other vehicles paying equal fees.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2256 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2232 Transportation and Energy on S.B. No. 2715

The purpose and intent of this measure is to extend the authorization of special purpose revenue bonds to assist Kaiuli Energy, LLC, with the financing of a seawater air conditioning district cooling facility and chilled water distribution system.

Your Committee received testimony in support of this measure from Ulupono Initiative and Kaiuli Energy, LLC.

Your Committee finds that saltwater air conditioning projects are basic infrastructure improvements that reduce fossil fuel consumption, electrical usage, harmful emissions, sewer production, and potable water usage. Your Committee also finds that Kaiuli Energy, LLC, is working with major hotel operators and utilities in Waikiki to implement this technology, emphasizing that this technology will help the State move closer to its clean energy goals and support the State's tourism industry.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2715 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2233 Transportation and Energy on S.B. No. 2004

The purpose and intent of this measure is to authorize the Director of Finance to issue general obligation bonds and to provide an appropriation for the construction of a signalized crosswalk on Vineyard Boulevard at River Street, to allow for easier pedestrian access across a heavily trafficked six-lane road.

Your Committee received testimony in support of this measure from the Department of Transportation, Lum Sai Ho Tong, and two individuals.

Your Committee finds that there are popular destinations on both sides of Vineyard Boulevard, and connecting the north and south ends of Chinatown with safe and direct access is the foundation to a vibrant River Street corridor. Your Committee also finds that the signalized crosswalk has been previously supported by the legislature, and that this measure is to ensure that the project can be completed successfully.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2004 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2234 Transportation and Energy on S.B. No. 2684

The purpose and intent of this measure is to update the procedures pedestrians should follow at crosswalks by including instructions on what pedestrians should do while a countdown timer is operating.

Your Committee received testimony in support of this measure from the Department of Transportation.

Your Committee finds that this measure will provide consistency with the meaning of various pedestrian-control signals and clarify that pedestrians may finish their crossing when countdown numbers are displayed.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2684, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2684, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2235 Transportation and Energy on S.B. No. 2828

The purpose and intent of this measure is to avoid the inefficiencies of the existing system of state motor vehicle inspections, where legislation is needed to change the inspection fee, by providing the Director of Transportation authority to amend administrative rules for the administration and enforcement of motor carrier vehicle safety inspections.

Your Committee received testimony in support of this measure from the Department of Transportation.

Your Committee finds that the existing motor vehicle inspection system is inefficient in that it requires legislation to be passed every time a change to the program is needed or desired. In contrast, amending administrative rules is more efficient, thereby improving safety, service, and value. Your Committee notes that the interests of the public are still protected by public hearings prior to any administrative rule amendment.

Your Committee has amended this measure by:

- (1) Clarifying that the fees currently set in statute shall remain in place until new fees that are established by the Director of Transportation through administrative rules; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2828, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2828, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2236 Transportation and Energy on S.B. No. 2854

The purpose and intent of this measure is to enforce the requirement in Act 200, Session Laws of Hawaii 2016, to have annual registration and safety inspections for mopeds by establishing a fine for failure to register a moped.

Your Committee received testimony in support of this measure from the Department of Transportation, Pearl City Neighborhood Board No. 21, Moped Noise Mitigation Working Group, and one individual. Your Committee received testimony in opposition to this measure from Moped Doctors Inc. and one individual.

Your Committee finds that mopeds provide an inexpensive, reliable, and convenient mode of transportation, but illegally modified mopeds are detrimental to neighborhoods. Requiring mopeds to undergo annual registration and safety inspections helps resolve the ongoing issue of illegally modified mopeds, but without enforcement, compliance is an issue. Your Committee believes that establishing a fine for moped owners who fail to register their mopeds will lead to higher registration compliance.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2854 and recommends that it pass Second Reading and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2237 (Joint) Commerce, Consumer Protection, and Health and Judiciary on S.B. No. 2747

The purpose and intent of this measure is to amend the Hawaii Nonprofit Corporations Act to:

- (1) Clarify that a public benefit corporation may not purchase its memberships;
- (2) Clarify that the term "director" only includes those who have the authority to vote as a member of a board;
- (3) Clarify that a corporation with members may provide for appointment by some other person, or designation, of some of its directors; and
- (4) Allow the Attorney General more time to review a proposed sale or other disposition of substantially all of the assets of a corporation, other than in the regular course of its activities.

Your Committees received testimony in support of this measure from the Department of the Attorney General.

Your Committees find that public benefit corporations are normally prohibited under existing law from making any distributions other than for charitable purposes. Unlike shareholders in profit corporations, members of a public benefit corporation do not have an economic ownership in that corporation. As such, a public benefit corporation's use of its charitable assets to purchase its memberships amounts to a distribution to its members. This measure therefore explicitly prohibits a public benefit corporation from purchasing its memberships and prevents charitable assets from being used for non-charitable purposes.

Your Committees further find that according to testimony from the Department of the Attorney General, there appears to be confusion regarding whether ex-officio directors, or individuals named as directors based on their position or status, who otherwise lack the authority to vote as a member of a board, are in fact directors of a nonprofit corporation. This measure therefore clarifies that directors, for purposes of the Hawaii Nonprofit Corporations Act, only include those who have the ability to vote as members of a board. This measure also makes other housekeeping amendments for consistency with the Revised Model Nonprofit Corporation Act (1987).

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2747, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2747, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Tokuda).

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

SCRep. 2238 (Joint) Agriculture and Environment and Water and Land on S.B. No. 2645

The purpose and intent of this measure is to require, for any proposed action involving construction for which an environmental impact statement (EIS) has been accepted by an agency but for which construction has not commenced within five years of acceptance of the statement, the developer of the construction project to exercise due diligence and hold community discussion and feedback sessions to share relevant and new information surrounding the project.

Your Committees received testimony in support of this measure from the Hawaiian Civic Club of Honolulu. Your Committees received testimony in opposition to this measure from the Building Industry Association of Hawaii and Chamber of Commerce Hawaii. Your Committees received comments on this measure from the Department of Agriculture.

Your Committees find that many large scale projects that require an EIS take years longer than initially anticipated and go beyond the time period of potential impacts examined in the EIS. Although state law lacks an explicit time frame of validity for an environmental impact statement, section 11-200-26, Hawaii Administrative Rules, requires a supplemental EIS when a project with an approved EIS has changed substantively in size, scope, intensity, use, location, or timing. Your Committees find that while a supplemental EIS may ensure consideration of an action that is essentially different from the action proposed under the original EIS, the drafting, submission, and approval of a supplemental EIS adds costs to projects that are often already expensive. Therefore, your Committees agree that establishment of an explicit time frame of validity for an EIS, in combination with mandatory community involvement during periods of construction delay, will ensure that an EIS does not go stale, without need for triggering a costly supplemental EIS in every situation.

Your Committees have amended this measure by:

- (1) Extending the time period that triggers the requirement that a developer of a construction project exercise due diligence and hold community discussion and feedback sessions to share relevant and new information surrounding the project from five years to ten years;
- (2) Inserting an effective date of July 1, 2025, to encourage further discussion; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2645, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2645, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

Water and Land: Ayes, 4; Ayes with Reservations (Thielen). Noes, none. Excused, 1 (Inouye).

SCRep. 2239 (Joint) Agriculture and Environment and Water and Land on S.B. No. 2559

The purpose and intent of this measure is to clarify that state, county, and authorized agents' authority to enter private property to control and eradicate invasive species also applies when there is a reasonable suspicion that invasive species are present on that property.

Your Committees received testimony in support of this measure from the Department of Agriculture; Department of Land and Natural Resources; Coordinating Group on Alien Pest Species; Big Island Invasive Species Committee; Office of the Mayor of the County of Hawaii; Hawaiian Electric Company, Inc.; The Humane Society of the United States; Hawai'i Farm Bureau; The Nature Conservancy of Hawaii; Hawaiian Civic Club of Honolulu; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and three individuals. Your Committees received testimony in opposition to this measure from the Hawaii Cattlemen's Council, Inc., and Animal Rights Hawai'i.

Your Committees find that invasive species and pests are a persistent and real threat to the State. Invasive species and pests can swiftly and permanently alter the ecosystem of the State if not effectively eradicated. To ensure the rapid and complete removal of such species and pests, it is essential to allow the State and counties, through their employees or authorized agents, to have authority to enter onto private property when necessary to control or eradicate priority invasive species and pests before they spread.

Your Committees have amended this measure by:

- (1) Clarifying that the right to enter private property applies to control and eradication of priority invasive species identified by the Invasive Species Council;
- (2) Amending additional statutory language to require the Invasive Species Council to maintain a list of priority invasive species and diseases that pose a high risk to public health and safety, the environment, or agriculture; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2559, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2559, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2240 (Joint) Agriculture and Environment and Water and Land on S.B. No. 2084

The purpose and intent of this measure is to establish the agricultural land acquisition fund and appropriate monies through that fund for the acquisition, administration, maintenance, and management of agricultural lands and irrigation systems.

Your Committees received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Ulupono Initiative; The Trust for Public Land; Hawaiian Civic Club of Honolulu; Hawaii Cattlemen's Council, Inc.; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Hawai'i Farm Bureau; and one individual. Your Committees received comments on this measure from the Department of Budget and Finance and Tax Foundation of Hawaii.

Your Committees find that the Agribusiness Development Corporation is an agency administratively attached to the Department of Agriculture and tasked with transitioning fallow plantation land into cropland to provide economic opportunities for diversified agriculture operations. Your Committees also find that there is no fund or entity dedicated to conserve and protect agricultural lands pursuant to Article XI, section 3, of the Constitution of the State of Hawaii. Your Committees further find that attempts to stimulate diversified agriculture through regulatory controls and land use and zoning restrictions are not sufficient to effectively and significantly increase diversified agriculture and avert Hawaii's agricultural self-sufficiency crisis. Furthermore, to accomplish the objective of doubling local food production by 2020, the Governor aims to make more land available for agriculture as a priority. Accordingly, this measure provides a means by which agricultural land can be acquired for agricultural purposes.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2084 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2241 (Joint) Agriculture and Environment and Higher Education on S.B. No. 2069

The purpose and intent of this measure is to make an appropriation for the research, development, marketing, and conservation of breadfruit, or 'ulu.

Your Committees received testimony in support of this measure from the Department of Agriculture, University of Hawaii System Government Relations Office, Ho'omanapono Political Action Committee, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and six individuals.

Your Committees find that breadfruit, or 'ulu, is a traditional Hawaiian crop with unrecognized potential as an agricultural commodity. It is rich in nutritional content, can be easily grown in Hawaii, and can be used to create gluten-free products. Your Committees find that supporting development of an 'ulu industry will help revive the harvesting of 'ulu and create a valuable commercial crop that will increase food security and self-sufficiency in Hawaii.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2069 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).

Higher Education: Ayes, 5. Noes, none. Excused, none.

SCRep. 2242 (Joint) Economic Development, Tourism, and Technology and Education and Higher Education on S.B. No. 2523

The purpose and intent of this measure is to require the Department of Business, Economic Development, and Tourism to develop regional economic plans to provide jobs in urban and rural areas of each county and require the Department to work with the Department of Education and the University of Hawaii to develop K-12 pathways for all schools to match the State's industry needs.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Education; University of Hawai'i; Hawai'i Farm Bureau; Hawai'i Pacific Health; and Ho'omanapono Political Action Committee. Your Committees received testimony in opposition to this measure from the County of Hawai'i Department of Research and Development.

Your Committees find that establishing regional economic plans that are specific to areas based on the development or community boundaries of all the counties is imperative for the State to provide more jobs in urban and rural areas. Your Committees further find that developing K-12 pathways for all schools that focus on the skills necessary to meet the State's specific industry needs will better prepare the future workforce of Hawaii to enter the workforce.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology, Education, and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2523 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Espero).

Higher Education: Ayes, 5. Noes, none. Excused, none.

SCRep. 2243 (Joint) Economic Development, Tourism, and Technology and Water and Land and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2446

The purpose and intent of this measure is to require a percentage of the Hawaii Tourism Authority's budget to be expended by the Department of Land and Natural Resources and counties to protect and enhance the State's infrastructure and natural resources if the number of visitor arrivals exceeds ten million to the State, or 6,500,000 to any county.

Your Committees received testimony in support of this measure from the Environmental Caucus of the Democratic Party of Hawaii, Sierra Club of Hawai'i, The Trust for Public Land, and twenty-three individuals. Your Committees received testimony in opposition to this measure from the Hawaii Tourism Authority and one individual. Your Committees received comments on this measure from the Department of Land and Natural Resources, Life of the Land, and one individual.

Your Committees find that although the ever increasing number of visitors to Hawaii each year has played an important role in the local economy, the visitor impacts on infrastructure and natural resources has not gone unnoticed. With many industry experts anticipating visitor arrivals to exceed ten million within the next five years, your Committees are concerned about the impact of visitors on the quality of life of Hawaii residents. Your Committees find that dedicating funds from the Hawaii Tourism Authority's budget for the development and maintenance of infrastructure and conservation of natural resources recognizes the tourism industry's dependency on the infrastructure needed to accommodate visitors and the natural beauty that attracts visitors to the islands.

Your Committees further find that the Hawaii Tourism Authority publishes a five-year strategic plan and that Goal 1 of the Five-Year Strategic Plan 2016 is to improve the integrity of the destination, with one of the Goal 1 objectives being to be a better steward of the destination and to specifically increase support for programs that manage, improve, and protect Hawaii's natural environment and areas frequented by visitors.

Your Committees would like greater assurance that the Hawaii Tourism Authority is on track to meet the goals set in its Five-Year Strategic Plan 2016, particularly Goal 1. Your Committees request that the Department of Land and Natural Resources consult with the Hawaii Tourism Authority and make recommendations on the Authority's actions thus far and any further actions the Authority should take to enhance the State's natural resources.

Your Committees have amended this measure by:

- (1) Reducing the threshold of visitor arrivals that triggers the budget allocations of this measure from ten million to nine million;
- (2) Inserting language to require the Hawaii Tourism Authority to submit an action report to the Legislature prior to the convening of the Regular Session of 2019 describing in detail any actions the Authority has taken to execute Goal 1 of the Five-Year Strategic Plan 2016; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology, Water and Land, and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2446, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2446, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 5. Noes, none. Excused, none.

Water and Land: Ayes, 3. Noes, none. Excused, 2 (Gabbard, Inouye).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 2244 (Joint/Majority) Economic Development, Tourism, and Technology and Water and Land on S.B. No. 3038

The purpose and intent of this measure is to allocate more funds to the special land and development fund by redistributing transient accommodations tax revenue from the tourism special fund to the special land and development fund.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Hawaii Floriculture and Nursery Association, and the Hawaiian Civic Club of Honolulu. Your Committees received testimony in opposition to this measure from the Hawai'i Tourism Authority. Your Committees received comments on this measure from the Tax Foundation of Hawaii.

Your Committees find that Hawaii's state parks, beaches, and trails are some of the most highly sought out destinations for visitors in Hawaii and are areas of high traffic of visitors. Your Committees recognize that although the high number of visitors to the State has benefitted the State's economy, the strain on the State's infrastructure and natural resources are apparent to visitors and residents alike. Your Committees are concerned that the number of visitors continue to increase and that the State's infrastructure and resources are not sufficiently prepared to withstand the impact of the high number of visitors. Therefore, your Committees find that allocating more funds to the Department of Land and Natural Resources to address the high number of visitors and its effect on the State's natural resources will help maintain and develop the beautiful natural environment of Hawaii.

Your Committees have amended this measure by:

- (1) Amending the allowable use of the transient accommodations tax revenues allocated to the special land and development fund to include the protection, preservation, maintenance and enhancement of state parks and trails important to the visitor industry and to include enforcement costs of public lands, which include state parks, beaches, and trails connected with enhancing the visitor experience; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3038, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3038, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 2. Noes, 1 (Galuteria). Excused, 2 (Baker, Taniguchi).

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2245 (Joint) Housing and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2594

The purpose and intent of this measure is to require that all renovation or construction of publicly funded residential housing, including projects under the jurisdiction of the Hawaii Housing Finance and Development Corporation and Hawaii Public Housing Authority, incorporate specific housing visitability standards beginning on January 1, 2019.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities, College of Education's Center on Disability Studies at the University of Hawaii at Manoa, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, League of Women Voters of Hawaii, Self-Advocacy Advising Council, and one individual. Your Committees received comments on this measure from the Hawaii Housing Finance and Development Corporation and Hawaii Public Housing Authority.

Your Committees find that as Hawaii's population ages, there is an increased need to provide housing with accessibility and community integration for individuals with mobility impairments. By requiring all construction or renovation of publicly funded residential housing to meet visitability standards, this measure will assist in reducing barriers to aging in place and facilitate accessible living.

Your Committees have amended this measure by adopting the language suggested by the Hawaii Public Housing Authority that:

- (1) Allows, rather than requires, the Hawaii Public Housing Authority to comply with visitability standards for the construction or renovation of the Authority's housing projects; and
- (2) Adds language to clarify that application of the visitability standards is not to be construed to place a financial or administrative burden on the operations or renovations of the housing project, exceed the requirements of the federal Americans with Disabilities Act, result in the decrease of vacant units within the housing project, or provide for preferential treatment to tenants with approved reasonable accommodations when a unit becomes available.

As affirmed by the records of votes of the members of your Committees on Housing and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2594, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2594, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 3. Noes, none. Excused, 2 (Green, Kahele).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2246 Housing on S.B. No. 2421

The purpose and intent of this measure is to:

- (1) Authorize the Director of Finance to issue general obligation bonds to construct affordable rental units and homes, temporary transitional housing or housing shelters, infrastructure for transit-oriented development, and a condominium on Hawaiian home lands; and
- (2) Allow monies from the conveyance tax and the county surcharge on state tax to be used to repay the general obligation bonds.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Department of Hawaiian Home Lands, Hawaii Public Housing Authority, IMUAlliance, Hawaii Habitat for Humanity Association, and one individual. Your Committee received testimony in opposition to this measure from the Hawai'i Association of REALTORS. Your Committee received comments on this measure from the Department of Budget and Finance, Tax Foundation of Hawaii, and League of Women Voters of Hawaii.

Your Committee finds that the cost of housing and the lack of affordable rentals and properties for sale are two of the most pressing issues facing the State, and that the lack of housing inventory has driven up the cost of rental properties and homes for sale. Furthermore, the shortage of affordable housing is one of the primary causes of homelessness in Hawaii.

Your Committee further finds that a consensus exists among many individuals, working groups, and task forces focused on addressing the issue of homelessness that more units must be constructed to meet the growing demand for affordable housing. Although government land is available for housing, the infrastructure is insufficient in many areas, including for transit-oriented development. It is projected that meeting long-term housing goals will require 64,000 new housing units by 2025, and of that total, 22,200 households of all income levels will require rental units. This measure provides a key funding component to meet these construction goals.

Your Committee has amended this measure by:

- (1) Increasing the percentage of the conveyance tax collected to be paid into the rental housing revolving fund from fifty to sixty percent and repealing the statutory cap of \$38,000,000, to increase the revenue stream into the revolving fund;
- (2) Increasing the amount of the general obligation bonds authorized for issuance for the development of affordable housing from \$500,000,000 to \$800,000,000, and distributing specified amounts to the:
 - (A) Dwelling unit revolving fund, of which a specified amount is dedicated to transit-oriented development infrastructure projects;
 - (B) Rental housing revolving fund; and
 - (C) Rental assistance revolving fund;
- (3) Decreasing the amount of the general obligation bonds authorized for issuance for certain public housing properties under the jurisdiction of the Hawaii Public Housing Authority from \$400,000,000 to \$100,000,000 and removing the purposes of completing Kuhio Park Terrace improvements and the Hawaii Public Housing Authority School Street project;
- (4) Decreasing the amount of general obligation bonds authorized for issuance for the construction of temporary transitional housing or homeless shelters on Kauai, Maui, Oahu, and the island of Hawaii from \$200,000,000 to \$50,000,000 and clarifying that the monies are to be used for constructing homeless shelters statewide and transitional housing centers for the homeless;
- (5) Removing the general obligation bond appropriation of \$450,000,000 to the Hawaii Housing Finance and Development Corporation for the purpose of constructing affordable rental units;
- (6) Removing the general obligation bond appropriation of \$400,000,000 to the Hawaii Housing Finance and Development Corporation for the purpose of constructing infrastructure on or near state lands for transit-oriented development with priority given to certain areas;
- (7) Adding language to allow the Department of Hawaiian Home Lands to use the general obligation bond appropriation for the purpose of constructing tiny homes on Hawaiian home lands and making infrastructure improvements; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2421, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2421, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Kahele).

SCRep. 2247 (Joint) Housing and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2951

The purpose and intent of this measure is to:

- (1) Clarify the interests that are required to be represented by members who represent community development districts on the Hawaii Community Development Authority;
- (2) Require the Senate President and the Speaker of the House of Representatives, rather than the relevant county council, to nominate certain representatives to serve on the community development districts;
- (3) Require certain representatives who serve on the community development districts to be nominated as a resident representative or a small business owner or nonprofit organization, but not both; and
- (4) Amend the definition of "small business" to require the business to have less than an unspecified number of employees on payroll and be within the physical boundaries of the applicable community development district where its principal place of operations takes place, rather than requiring the small business to not be dominant in its field of operation.

Your Committees received testimony in support of this measure from the Hawaii Energy Policy Forum, Free Access Coalition, and one individual.

Your Committees find that under existing law, the Honolulu City Council, as the council of the county in which all of the community development districts of the Hawaii Community Development Authority are located, nominates individuals to be appointed by the Governor to represent the Heeia, Kalaeloa, and Kakaako community development districts. The Hawaii Community Development Authority includes among its membership three representatives of the Kakaako community development district, including two residents of the district and one owner of a small business or one officer or director of a nonprofit organization in the district. Your Committees further find that in 2017, confusion arose amongst Honolulu City Council members regarding the nomination process for the members representing the Kakaako community development district. Given the important responsibilities of these members in determining the development of designated areas of the State, this measure clarifies the nomination process of these members and the members representing the other community development districts.

As affirmed by the records of votes of the members of your Committees on Housing and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2951 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Housing: Ayes, 3. Noes, none. Excused, 2 (Green, Kahele).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4; Ayes with Reservations (Thielen). Noes, none. Excused, 1 (Wakai).

SCRep. 2248 Government Operations on S.B. No. 2257

The purpose and intent of this measure is to require that revenue estimates provided by the Department of Taxation to the Legislature or to any executive or administrative office be accompanied by a description of the methodology used and assumptions made in providing the estimate and that the estimate and description be open to public disclosure.

Your Committee received testimony in support of this measure from the Civil Beat Law Center for the Public Interest, Common Cause Hawaii, Ulupono Initiative, and two individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that government transparency is essential to maintaining a healthy relationship between the public and its representatives. Each year, the Legislature proposes many measures that will or may have a resulting economic impact. For many of these measures, the Department of Taxation provides an estimate to the Legislature of the revenue impact of the proposed legislation. However, the Department does not necessarily provide an accompanying description of the methodology used and assumptions made in providing the estimate. Your Committee finds that economic impact estimates can have a significant impact on the actions taken on bills. Therefore, your Committee finds that requiring the Department to provide a description of the methodology used and assumptions made in providing the revenue impact estimate will enhance legislative decision making and promote transparency. As a further means of promoting transparency, your Committee also finds that the Department's estimate and accompanying description of its methodology and assumptions should be made available for disclosure to the public.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2257 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2249 Government Operations on S.B. No. 3092

The purpose and intent of this measure is to require the Office of Information Practices to resolve all public complaints about noncompliance with chapter 92F and part I of chapter 92, Hawaii Revised Statutes, within six months from the date the Office of Information Practices receives the complaint.

Your Committee received testimony in support of this measure from the Civil Beat Law Center for the Public Interest, Common Cause Hawaii, Society of Professional Journalists Hawaii Chapter, and two individuals. Your Committee received comments on this measure from the Office of Information Practices, League of Women Voters of Hawaii, and one individual.

Your Committee finds that ensuring that the public is afforded appropriate opportunity to access public records is vital to maintaining a strong relationship between government and the public. Part of ensuring the public's opportunity to access public records is resolving disputes relating to those records. The Office of Information Practices was created to provide the public a forum for speedy resolution of disputes about access to public records. Moreover, the Legislature exempted the Office of Information Practices from contested case requirements to ensure that the review would be "expeditious, informal, and at no cost to the public". However, your Committee finds that the average time for the Office of Information Practices to resolve public complaints has been well over a year with numerous complaints pending for two years or more. The delays have, in some cases, discouraged members of the public from bringing disputes. Your Committee further finds that while there are no existing mandatory time periods for the resolution of disputes under law, other jurisdictions have implemented effective time frames for the resolution of public records disputes. Your Committee finds that timely access to public records is critical and that unnecessary delays in accessing government information increase public mistrust of, and disillusionment with government.

In addition, while your Committee acknowledges the Office of Information Practices concerns about the need for additional resources to comply with this measure, your Committee finds that this issue of such significance that the need for resources alone should not derail this measure. Accordingly, your Committee finds that establishing a six month deadline for the resolution of public records complaints will ensure that the Office of Information Practices responds to public complaints in a timely manner that serves the public and provides transparency in government operations.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3092 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2250 Commerce, Consumer Protection, and Health on S.B. No. 3107

The purpose and intent of this measure is to appropriate funds to help persons suffering from multiple chronic conditions through the following initiatives:

- (1) A comprehensive and coordinated continuum of treatment services;
- (2) A pilot project for a centralized referral system;
- (3) Case management programs for substance use disorders; and
- (4) Supervisors for volunteer peer mentors and coaches and incentives for volunteer peer mentors and coaches.

Your Committee received testimony in support of this measure from Ku Aloha Ola Mau; Hawaii Substance Abuse Coalition; Big Island Substance Abuse Council; Hina Mauka; Ohana Makamae, Inc.; Life Foundation and The CHOW Project; The Salvation Army Addiction Treatment Services; Hawaii Advisory Commission on Drugs and Controlled Substances; and three individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that the high prevalence of individuals with multiple chronic conditions is a persistent problem and that health care costs are skyrocketing, with approximately sixty-six percent of total health care spending directed toward the approximately twenty-seven percent of Americans with multiple chronic conditions.

Your Committee finds that all four of the initiatives that would be funded by this measure would help reduce overall health care costs, especially for individuals with multiple chronic conditions, and are in line with best practices. Your Committee believes that all four of the initiatives in this measure are valuable and requests continued consideration for funding of all four initiatives as this measure moves through the legislative process. However, your Committee emphasizes that, of the four initiatives, the top priority is the centralized referral system.

Your Committee urges the Department of Health to continue any and all steps it has already taken to improve treatment of individuals with multiple chronic conditions. Your Committee notes that, for the Department of Health to expand its existing work, the Department will require additional funding. Your Committee strongly urges the Department of Health to pursue grants and other outside funding to support the initiatives that are proposed to be funded by this measure and requests that the Department provide estimates for any additional funding that will be required.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3107 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Nishihara).

SCRep. 2251 Commerce, Consumer Protection, and Health on S.B. No. 2773

The purpose and intent of this measure is to establish regulations for third party administrators, including:

- (1) Encouraging disclosure of contracts between insurers and third party administrators to potential insureds and the Insurance Commissioner;
- (2) Promoting the financial responsibility of third party administrators;
- (3) Regulating third party administrators' practices; and
- (4) Governing the qualifications and procedures for the licensing of third party administrators.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs. Your Committee received comments on this measure from the Hawaii-Western Management Group.

Your Committee finds that third party administrators collect charges or premiums from, or adjust or settle claims on, life insurance coverage or accident and health or sickness insurance coverage. Hawaii is one of nine states that do not regulate third party administrators. This measure establishes regulations over third party administrators and is based on the National Association of Insurance Commissioners' Registration and Regulation of Third Party Administrators Guideline.

Your Committee further finds that according to discussions with the Department of Commerce and Consumer Affairs, the Guideline serves as a starting point for states to consider when regulating third party administrators. Your Committee notes that a state's accreditation by the National Association of Insurance Commissioners is not contingent upon a verbatim adoption of the Guideline, and thus, variation between the Guideline and a state's law is acceptable.

Your Committee has amended this measure by:

- (1) Clarifying the surety bond requirements for third party administrators; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2773, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2773, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 2252 Commerce, Consumer Protection, and Health on S.B. No. 2188

The purpose and intent of this measure is to:

- (1) Establish an additional conveyance tax for the sale of certain condominiums or single family residences; and
- (2) Require that the revenue collected in each county from the additional conveyance tax be allocated to the respective county's affordable housing fund.

Your Committee received testimony in support of this measure from the Maui County Council. Your Committee received testimony in opposition to this measure from the Hawai'i Association of REALTORS. Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that creating additional affordable housing units is a top priority in each of the counties. Demand for affordable housing is far outpacing supply, and creative solutions and resources are needed for each county to uniquely address the dire shortage of housing. This measure therefore establishes an additional conveyance tax on condominiums and single family residences with a value of \$2,000,000 or more and allocates one hundred percent of the revenue from the additional tax to the revolving affordable housing fund of the county where the property is located. The Department of Taxation testified before your Committee that the Department estimates that the additional conveyance tax proposed by this measure could raise an additional \$56,800,000 per year for affordable housing.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2188, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2188, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2253 Commerce, Consumer Protection, and Health on S.B. No. 2056

The purpose and intent of this measure is to limit obesity and improve healthy options for children and parents by requiring restaurants to offer a healthy option as the default beverage for any children's meal combination.

Your Committee received testimony in support of this measure from the Department of Health, Department of Commerce and Consumer Affairs Insurance Division, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Hawaii Public Health Association, Hawaii Primary Care Association, Hawaii Public Health Institute, American Cancer Society Cancer Action Network, Tiki's Grill & Bar, American Heart Association, a petition with ninety-seven signatures, and twenty-seven individuals. Your Committee received comments on this measure from the Hawaii Restaurant Association.

Your Committee finds that sugar-sweetened beverages alone make up to nine percent of the calories that children consume daily, and that medical evidence suggests that consumption of sugar sweetened beverages is linked to obesity. Your Committee finds that making a healthier beverage the default option will reduce consumption of sugar-sweetened beverages without restricting consumer freedom or significantly impacting the restaurant industry.

Your Committee has heard concerns from the Department of Health and Hawaii Primary Care Association that the enforcement provision in this measure is superfluous given existing departmental enforcement authority, and may serve only to worsen ties between the Department of Health and the restaurant industry.

Your Committee has also heard the request from the Hawaii Restaurant Association to add an option for a small amount of fruit juice as another default beverage choice. Your Committee finds that this change is in accord with the intent and purpose of this measure, and will improve the rate of and reduce the costs of compliance.

Your Committee has amended this measure by:

- (1) Adding a six ounce or smaller serving of one hundred percent fruit juice as an additional option for a default beverage;
- (2) Deleting the proposed section 321-C, Hawaii Revised Statutes, which provided for enforcement; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2056, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2056, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Nishihara).

SCRep. 2254 Judiciary on S.B. No. 2897

The purpose and intent of this measure is to appropriate monies for the Honolulu Biennial International Arts Exhibition.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the Honolulu Biennial International Arts Exhibition is a multi-site contemporary visual arts festival celebrating works by local Hawaii-based artists and Native Hawaiian artists alongside national and international artists from countries and continents linked by the Pacific Ocean. This measure will provide monies to support this exhibition.

Your Committee has amended this measure by replacing the prior appropriation amount of \$400,000 with a blank amount.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2897, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2897, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2255 Judiciary on S.B. No. 2205

The purpose and intent of this measure is to appropriate funds to the State Foundation on Culture and the Arts Artist Fellowship Program for the awarding of one-time fellowships to promising artists in the amount of not less than \$25,000.

Your Committee received testimony in support of this measure from the State Foundation on Culture and the Arts and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that section 9-3, Hawaii Revised Statutes, requires the State Foundation on Culture and the Arts to "[E]stablish an individual artist fellowship program to encourage artists to remain and work in Hawaii and to reaffirm the importance of Hawaii's artists and their cultural and economic contributions". The State Foundation on Culture and the Arts Artist Fellowship Program requires funding through appropriations to fulfill its established purpose. This measure will provide resources for the State Foundation on Culture and the Arts to award fellowships through the Artist Fellowship Program.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2205 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2256 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary on S.B. No. 2173

The purpose and intent of this measure is to appropriate funds as a grant-in-aid to the Department of the Prosecuting Attorney of the City and County of Honolulu for the Career Criminal Prosecution Unit.

Your Committees received testimony in support of this measure from the Department of the Attorney General, Maui Department of the Prosecuting Attorney, and Department of the Prosecuting Attorney of the City and County of Honolulu.

Your Committees find that supporting a strong and effective prosecutor's office is vital to protecting the health, safety, and welfare of the public. It has long been a recognized problem that a relatively small number of repeat criminals, or "career criminals", commit a disproportionate number of the serious crimes against the public. For that reason, the Legislature created the career criminal prosecution program in 1979. This program has been effective in assisting prosecutors' offices in delivering swift and effective justice. Accordingly, it is important to continue to provide funding to the Department of the Prosecuting Attorney of the City and County of Honolulu for its Career Criminal Prosecution Unit so that the department may continue to protect the public from these dangerous career criminals.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2173 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Ihara, Wakai).

Judiciary: Ayes, 5. Noes, none. Excused, none.

SCRep. 2257 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary on S.B. No. 2196

The purpose and intent of this measure is to repeal the requirement for the County of Kauai to contract with the Kauai Humane Society to provide animal services.

Your Committees received testimony in support of this measure from Animal Rights Hawai'i, Keiko Conservation, Kauai County Council Chair Mel Rapozo, and two individuals.

Your Committees find that providing humane animal services is important for protecting public health and safety. Existing law requires the County of Kauai to contract exclusively with the Kauai Humane Society. Your Committees find that this limitation is too restrictive and could even result in services not being available to the county. Therefore, your Committees find that the county should have freedom to contract with other providers for appropriate animal services.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2196 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Ihara, Wakai).

Judiciary: Ayes, 5. Noes, none. Excused, none.

SCRep. 2258 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2343

The purpose and intent of this measure is to:

- (1) Amend the offense of abuse of a family or household member to provide for felony, misdemeanor, and petty misdemeanor penalties;
- (2) Expand the family court's jurisdiction over certain enumerated offenses committed against family or household members;
- (3) Repeal the prohibition on deferred acceptance of guilty or no contest pleas in cases involving abuse of family or household members;

- (4) Require that no-contact and stay-away orders issued during the pendency of a criminal case or as a condition of probation be enforced regardless of whether the defendant signed a written acknowledgment of the order, provided that the defendant was informed on the record of the terms and conditions of the order in open court; and
- (5) Require that no-contact and stay-away orders issued during the pendency of trial cases involving abuse of family or household members or certain enumerated offenses be automatically converted after the defendant's conviction to a new protective order that shall remain in effect for a fixed reasonable period as the court deems appropriate, unless the victim or witness requests otherwise.

Your Committee received testimony in support of this measure from the Department of the Prosecuting Attorney, City and County of Honolulu; Office of the Prosecuting Attorney, County of Kaua'i; Honolulu Police Department; Maui Police Department; Department of the Prosecuting Attorney, County of Maui; Hawaii State Coalition Against Domestic Violence; Domestic Violence Action Center; ACLU People Power; and five individuals. Your Committee received testimony in opposition to this measure from the Office of the Public Defender and one individual. Your Committee received comments on this measure from the Judiciary and one individual.

Your Committee finds that domestic violence is a serious concern that threatens the health and safety of many of the State's citizens. In particular, those who are victims of domestic violence face the real threat of continued harm. Many victims of domestic violence seek protective orders to help shield themselves from further harm. However, inefficiencies and inadequate protections in the law enforcement and justice systems can lead to failed enforcement of protective orders or a lack of awareness by the victim of the expiration of such an order. It is essential that these inadequacies and others that fail to provide domestic abuse victims with proper protections, be addressed. It is equally important that the perpetrators of domestic violence are held to account for their misdeeds. Accordingly, this measure addresses deficiencies in the system by increasing the penalties for the perpetrators of domestic violence, expanding the role of the family court in adjudicating domestic violence cases, and providing additional safeguards relating to protective orders for domestic violence victims.

However, your Committee acknowledges the various concerns raised in testimony. In particular, your Committee finds that the courts need greater sentencing flexibility, including the ability to use domestic violence intervention and parenting programs as alternative sentences. In addition, your Committee acknowledges the need to effectively convert no-contact and stay-away orders upon conviction. Further, while your Committee wants to ensure maximum protection for victims of domestic abuse, your Committee wants to ensure that defendants have adequate due process protections.

Your Committee has amended this measure by:

- (1) Clarifying that in a case involving abuse of a family or household member under section 709-906, Hawaii Revised Statutes (HRS), or involving harassment of a family or household member as defined in section 709-906, HRS, and charged pursuant to section 711-1106(1)(b) through (f), HRS, a no-contact or stay-away order previously imposed under section 706-624 or 804-7.1, HRS, on a defendant who is sentenced to a term of imprisonment shall be converted by the court upon the defendant's conviction in that case to a new protective order that shall remain in effect for a fixed reasonable period as the court deems appropriate;
- (2) Clarifying the family court's jurisdiction over cases involving harassment of a family or household member;
- (3) Allowing the family court to sentence a defendant in cases involving harassment of a family or household member, as defined in section 709-906, HRS, to complete a domestic violence intervention program or parenting classes;
- (4) Adding provisions to protect the due process of defendants by allowing defendants to show good cause for failure to comply with a no-contact or stay-away order;
- (5) Requiring offenders who commit abuse of a family or household member in the presence of a minor to complete a domestic violence intervention program and any available parenting class within a time frame specified by the court;
- (6) Inserting additional requirements for the court to satisfy when sentencing a person for abuse of a family or household member;
- (7) Specifying that a deferred acceptance of guilty plea or nolo contendere plea shall not apply to abuse of a family or household member in the first degree or third degree; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2343, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2343, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2259 Human Services on S.B. No. 2303

The purpose and intent of this measure is to:

- (1) Require the Office of Youth Services to coordinate a two-year safe places for youth pilot program, which will coordinate a network of safe places where youth can access safety and obtain advice, guidance, programs, and services; and
- (2) Establish and appropriate funds for a safe places for a youth pilot program coordinator position and residential options for the pilot program.

Your Committee received testimony in support of this measure from the Office of Youth Services, Honolulu Police Department, Hawaii Youth Services Network, Rainbow Family 808, Planned Parenthood Votes Northwest and Hawaii, IMUAlliance, and three individuals.

Your Committee finds that between one million and 1.7 million homeless youth have run away or have been asked to leave their homes. Your Committee further finds that a 2016 National Conference of State Legislatures article indicates that studies have shown that forty-six percent of runaway youth and homeless youth reported being physically abused, thirty-eight percent reported being emotionally abused, and seventeen percent reported being forced into unwanted sexual activity by a family member or household member. Homeless youth are at a higher risk for physical abuse, sexual exploitation, mental health disabilities, substance abuse, and death. Your Committee recognizes the importance of establishing safe places that offer shelter, programs, and support to at-risk youth.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2303 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2260 Human Services on S.B. No. 2089

The purpose and intent of this measure is to:

- (1) Establish a Youth Commission within the Office of Youth Services to advise the Governor and Legislature on the effects of legislative policies, needs, assessments, priorities, programs, and budgets concerning the youth of the State; and
- (2) Appropriate funds for the hiring of one staff position to administer the Youth Commission and other administrative costs.

Your Committee received testimony in support of this measure from the Office of Youth Services, IMUAlliance, Hawaii Youth Services Network, Students for Public Outreach and Civic Education, Community Alliance on Prisons, Rainbow Family 808, Hawai'i Educational Policy Center, and six individuals.

Your Committee finds that increasing youth participation in the public policymaking process is a vital state interest. Your Committee further finds that although youth under the age of eighteen are not allowed to vote, they deserve access and input through other means in the policymaking process. Your Committee recognizes that a youth commission would enable a greater role for young people in the policymaking process by advising the Governor and Legislature on legislative policies and priorities concerning the youth of the State.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2089 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2261 Human Services on S.B. No. 2302

The purpose and intent of this measure is to appropriate funds to the Hawaii Youth Services Network as a grant to provide short-term funding, from May to September 2018, to address the anticipated loss of federal funds that support the runaway and homeless youth partnership's transitional living program.

Your Committee received testimony in support of this measure from the Governor's Coordinator on Homelessness, Department of Human Services, Office of Youth Services, Hawaii Substance Abuse Coalition, Hawaii Youth Services Network, League of Women Voters, Hale Kipa, Domestic Violence Survivor Advocate, Hawaii Children's Action Network, Rainbow Family 808, and three individuals.

Your Committee finds that the 2017 State of Hawaii homeless point-in-time count recorded an overall twelve percent decrease statewide in the total number of unsheltered homeless, yet the homeless youth count was nearly identical to that of 2016. Your Committee further finds that three hundred nineteen unaccompanied youth were counted as homeless and that eighty-two percent of unaccompanied youth were unsheltered.

Your Committee notes that the Hawaii Youth Services Network, a nonprofit statewide coalition of youth-serving organizations, has conducted a statewide runaway and homeless youth partnership program providing street outreach, emergency shelter, and transitional living space to runaway and homeless youth. The homeless youth partnership program offers safe and stable housing for youth ages sixteen to twenty-one for up to eighteen months. Your Committee recognizes that the Hawaii Youth Services Network has received federal grant funding to support services of the transitional living program and that the current federal grant funding ends on April 30, 2018.

Your Committee also notes that in June 2017, Hawaii Youth Services Network and other grantees were informed that they could not apply to renew grant funding and there was no certainty that there would be funding available in 2018. Should funding be available in 2018, the new grant would not become available until September 30, 2018, creating a minimum five-month lapse in funding for the transitional living program. Appropriating funds to the Hawaii Youth Services Network and partner organizations to fill this gap in funding demonstrates the need and importance of programs and services for unaccompanied homeless youth such as transitional living programs.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2302 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2262 Human Services on S.B. No. 3028

The purpose and intent of this measure is to:

- (1) Require certain amounts of child support monies collected by the Department of Human Services for public assistance of a child to pass through to the family receiving the public assistance; and
- (2) Require the Department to disregard a certain amount of pass through child support payments when determining the needs of an applicant for or recipient of public assistance.

Your Committee received testimony in support of this measure from the Department of Human Services, Hawaii Appleseed Center for Law & Economic Justice, Domestic Violence Action Center, American Association of University Women-Hawaii, Hawaii Children's Action Network, Hawai'i State Democratic Women's Caucus, and two individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that, in 2013, child support payments accounted for over 70.3 percent of annual income for custodial parents in the United States living below poverty who received full child support payments. According to testimony received by your Committee, under state law, individuals who receive public assistance in the form of Temporary Assistance for Needy Families (TANF) benefits do not receive child support payments. This is because a parent who owes child support to a family receiving TANF must pay child support to the State rather than to the custodial parent. The Department of Human Services retains a portion of that money to reimburse itself and the federal government for providing TANF. Allowing child support monies for public assistance of a child to pass through to the family receiving public assistance will allow families to be more financially secure and ultimately depend less on public assistance.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3028 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2263 Human Services on S.B. No. 2097

The purpose and intent of this measure is to:

- (1) Authorize child abuse and neglect investigation findings for incidents occurring in licensed group child care homes or group child care centers to be disclosed to parents or guardians of children enrolled in the home or center at the time of the alleged abuse or neglect or to parents or guardians considering enrolling their children in the home or center; and
- (2) Authorize the disclosure of an investigation involving a finding of a felony or misdemeanor to any person upon request.

Your Committee received testimony in support of this measure from Parents and Children Together, Sounds of Success Preschool & Learning Center, Rainbow Family 808, and thirteen individuals. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that child care facilities play a significant role in the development and growth of a child. Your Committee further finds that parents place a significant amount of trust in child care facilities to ensure that their children are safe and should have access to certain information when selecting a child care facility. Your Committee notes that authorizing the disclosure of child abuse and neglect investigation findings will provide beneficial input to parents and guardians when selecting a safe child care provider and facility.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2097 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2264 Human Services on S.B. No. 2663

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including goal two, zero hunger, of the seventeen United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Human Services, Department of Agriculture, Office of Planning, Airport Concessionaires Committee, Oahu Economic Development Board, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that Hawaii has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that a priority of the Senate for the Regular Session of 2018 is to adopt United Nations' Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal two, zero hunger, into state law.

Your Committee has amended this measure by:

- (1) Codifying Sustainable Development Goal two into chapter 226, Hawaii Revised Statutes, instead of chapter 344, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2663, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2663, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2265 Human Services on S.B. No. 2662

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including goal one, no poverty, of the seventeen United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Human Services, Department of Agriculture, Office of Planning, Airport Concessionaires Committee, Oahu Economic Development Board, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that Hawaii has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that a priority of the Senate for the Regular Session of 2018 is to adopt United Nations' Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal one, no poverty, into state law.

Your Committee has amended this measure by:

- (1) Codifying Sustainable Development Goal one into chapter 226, Hawaii Revised Statutes, instead of chapter 344, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2662, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2662, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2266 Human Services on S.B. No. 2050

The purpose and intent of this measure is to require the Department of Human Services to implement an earned income disregard program as an intermediate step to implementing a full Medicaid buy-in program.

Your Committee received testimony in support of this measure from the State Council on Developmental Disabilities, Lanakila Pacific, and Hawaii Disability Rights Center. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that Act 200, Session Laws of Hawaii 2012, established a joint legislative Medicaid Buy-In Task Force to explore the possibility of implementing a Medicaid buy-in program for individuals with disabilities who are either not working or currently working but would like to earn more income. Your Committee further finds that the Medicaid Buy-In Task Force recommended an alternate approach of an interim step to the Medicaid buy-in program for individuals with disabilities to earn income and not lose their Medicaid benefits. While this interim program would not provide the full benefits of a Medicaid buy-in program, it would increase the amount of income an individual could earn while retaining Medicaid eligibility.

Your Committee has amended this measure by:

- (1) As suggested by the Department of Human Services:
 - (A) Inserting language to allow greater flexibility in determining the income disregard amount;
 - (B) Inserting language to reflect that the earned income disregard program would be contingent on approval by the Centers for Medicare and Medicaid Services; and
 - (C) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2050, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2050, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2267 Human Services on S.B. No. 2875

The purpose and intent of this measure is to repeal language that requires child care providers to disclose a summary of information relating to liability insurance coverage to parents and guardians applying for child care at a child care facility.

Your Committee received testimony in support of this measure from the Department of Human Services, Kuliouou Child Care, Precious Little Ones Child Day Care, Keiki Ohana Daycare, and five individuals.

Your Committee finds that the intent of Act 161, Session Laws of Hawaii 2017, was to strengthen minimum standards on child care to improve the health and safety of children by requiring child care providers to obtain and maintain liability insurance coverage. Your Committee further finds that survey responses from child care providers indicate that home-based child care providers are considering not registering with the Department of Human Services due to the new insurance requirement, citing concerns over the disclosure of what they believe to be confidential information and concerns of being targeted for lawsuits once the amounts of liability coverage of each provider are disclosed. This measure will allow the Department additional time to establish child care insurance coverage rules and policies that satisfy all child care providers.

Your Committee has amended this measure by:

- (1) Repealing language that requires the Department of Human Services to determine an amount of liability insurance coverage required to be obtained and maintained by child care providers;
- (2) Amending Act 161, Session Laws of Hawaii 2017, to extend the implementation and enforcement deadline to allow the Department additional time to establish new rules and policies for liability insurance for child care providers; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2875, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2875, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2268 Human Services on S.B. No. 2539

The purpose and intent of this measure is to:

- (1) Establish the misdemeanor offense of failure to properly care for a child resulting in death or injury, applicable to group child care homes and group child care centers; and
- (2) Require that the child care provider's license or temporary permit be immediately revoked upon conviction of the new offense.

Your Committee received testimony in support of this measure from Rainbow Family 808, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and fifty-two individuals. Your Committee received comments on this measure from the Department of Human Services and Department of the Attorney General.

Your Committee finds that child care is a necessity for many working parents and guardians. Your Committee further finds that parents and guardians who enroll their child at a child care facility trust that their child's health, well-being, and safety are a priority. However, recent events have revealed the need for strong deterrents to ensure that children are being properly cared for in child care facilities.

Your Committee encourages the Committee on Judiciary, should it choose to hear this measure, to take into consideration the concerns expressed by the Department of the Attorney General.

Your Committee has amended this measure by:

- (1) Requiring that a child be seriously injured, rather than merely injured, in order to constitute the offense;
- (2) Inserting a definition for "seriously injured"; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2539, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2539, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2269 Human Services on S.B. No. 2793

The purpose and intent of this measure is to require the Department of Human Services to use an integrated and multigenerational approach when delivering human services to improve social well-being, economic security, and productivity and to reduce intergenerational poverty and dependence on public benefits.

Your Committee received testimony in support of this measure from the Department of Human Services and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the Department of Human Services provides benefits and services to one in four Hawaii residents, or about 360,000 individuals, and provides medical insurance coverage for about half of the State's children. Your Committee further finds that the Department is part of a national movement to improve the delivery of human services led by the National Governors Association, American Public Human Services Association, Ascend of the Aspen Institute, Urban Institute, and other agencies and organizations. Your Committee notes that the adoption of a service integration and multigenerational approach will transform the Department's practices and services to better support children, parents, and other individuals.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2793, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2793, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2270 Human Services on S.B. No. 2788

The purpose and intent of this measure is to:

- (1) Establish the health analytics program in the Med-QUEST Division of the Department of Human Services;
- (2) Require the health analytics program to maintain an all-claims, all-payer database;
- (3) Establish and appropriate general funds for four positions to support the health analytics program and administrative costs; and
- (4) Appropriate federal funds for the health analytics program.

Your Committee received testimony in support of this measure from the Department of Human Services, Department of Commerce and Consumer Affairs, Department of Budget and Finance, Department of Health, University of Hawai'i System, Office of Enterprise Technology Services, State Health Planning and Development Agency, and Hawaii Medical Service Association. Your Committee received comments on this measure from the Hawaii Employer-Union Health Benefits Trust Fund and Hawai'i Primary Care Association.

Your Committee finds that the Legislature enacted Act 139, Session Laws of Hawaii 2016, to facilitate greater transparency and understanding of health costs, improve healthcare system quality and population health outcomes, and address disparities through the development of an all-payer system claims data warehouse. Your Committee further finds that the health analytics program and all-payers medical claims database would allow the Med-Quest Division of the Department of Human Services to utilize community based analytics to improve programs and services and meet critical Medicaid-specific operational and policy goals. Given the size and complexity of the Medicaid program in the State, the health analytics program and all-payers medical claims database will better inform the Division's collection and analysis of data in order to improve and transform the State's health care delivery system.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2788, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2788, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2271 (Joint) Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2006

The purpose and intent of this measure is to:

- (1) Exempt the gross proceeds of costs incurred to retrofit or install automatic fire sprinkler systems from general excise taxes; and
- (2) Provide interest-free loans to condominium associations to retrofit or install automatic fire sprinkler systems.

Your Committees received testimony in support of this measure from the State Fire Council; Honolulu Fire Department; Kaua'i Fire Department; County of Hawai'i, Hawai'i Fire Department; Oahu County Committee, Legislative Priorities Committee of the Democratic Party of Hawaii; Hawaii Council of Associations of Apartment Owners; Hawaiian Civic Club of Honolulu; Associa; and five individuals. Your Committees received comments on this measure from the Department of Taxation and Building Industry Association of Hawaii.

Your Committees find that the devastating Marco Polo condominium fire in July 2017 highlighted the dangers of fires in buildings without fire sprinklers. Your Committees further find that condominium associations have voiced concerns regarding the financial burden to property owners who want or are required to retrofit their units with automatic fire sprinklers, as the cost to retrofit high-rise residential buildings varies and may be as high as several million dollars. This measure therefore exempts certain costs associated with retrofitting or installing automatic fire sprinkler systems from the general excise tax and enables condominium associations to seek interest-free loans for this process from the Hawaii Housing Finance and Development Corporation.

However, your Committees note certain concerns that were raised during the public hearing on this measure. In particular, your Committees have concerns that this measure may enable the use of public monies to help only one segment of the public – condominium owners. Your Committees also note that this measure permits condominium associations to apply for loans from the Hawaii Housing Finance and Development Corporation, an entity primarily responsible for financing and developing workforce and affordable housing. Your Committees believe these concerns warrant further discussion as this measure moves through the legislative process.

Your Committees have amended this measure by:

- (1) Removing language that would have exempted the gross proceeds of costs incurred to retrofit or install automatic fire sprinkler systems from general excise taxes;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2006, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2006, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6; Ayes with Reservations (Ihara, Ruderman). Noes, none. Excused, 1 (Tokuda).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5; Ayes with Reservations (Baker, Ihara, Thielen, Wakai). Noes, none. Excused, none.

SCRep. 2272 (Joint) Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2718

The purpose and intent of this measure is to improve administration of the State's cannabis dispensary program by:

- (1) Amending the out-of-state reciprocity program;
- (2) Extending the maximum period of validity of a written certification of a debilitating medical condition;
- (3) Allowing for the creation of a bona fide physician-patient or advanced practice registered nurse-patient relationship via telehealth;
- (4) Adding devices that provide safe pulmonary administration to the list of permitted manufactured cannabis products;
- (5) Increasing the maximum dosage amount of tetrahydrocannabinol per pack or container of certain manufactured cannabis products;
- (6) Exempting employees without direct access to cannabis from background check requirements; and
- (7) Requiring the use of a subpoena to obtain certain records regarding dispensaries and production centers from the Department of Health.

Your Committees received testimony in support of this measure from the Drug Policy Forum of Hawaii; Hawaii Educational Association; Aloha Green Holdings, Inc.; Noa Botanicals; Maui Grown Therapies; Hawaii Advocates for Consumer Rights; Hawaiian Ethos; Lau Ola, LLC; and four individuals. Your Committees received testimony in opposition to this measure from Malie Cannabis Clinic. Your Committees received comments on this measure from the Department of Health and Department of the Attorney General.

Your Committees find that amendments to the medical cannabis dispensary law are necessary to clarify legislative intent, ensure smooth administration of the law, and allow for adequate patient access based on discussions of the Act 230 Medical Cannabis Legislative Oversight Working Group (Working Group). Your Committees also find that the portions of this measure allowing the establishment of bona fide physician-patient and advanced practice registered nurse-patient relationships via telehealth and allowing safe pulmonary administration of cannabis are appropriate, provided that language from the Working Group is added to clarify which devices are permissible. Your Committees also find that an increase in tetrahydrocannabinol per pack or container is appropriate; provided that dispensaries do not violate established limits. However, other elements of this measure would present challenges to dispensaries and qualifying patients.

Specifically, your Committees have heard concerns with respect to the proposed reciprocity program, which may affect the supply of cannabis for qualifying patients in Hawaii and be overly burdensome for dispensaries. Your Committees find that an extension of the maximum period of validity for a qualifying patient's written certification goes against current medical practice, which is to review any long-term prescription every year. Your Committees also find that requiring background checks for all employees offers better protection for consumers than limiting the requirement to only those employees with direct access to cannabis, as it is difficult to know in advance which employees will have direct access to cannabis and those who will not. Lastly, your Committees find that requiring the Department of Health to obtain a subpoena before disclosing records regarding dispensaries and production centers will likely impede the work of the Department of Health and law enforcement agencies, especially in exigent circumstances. Amendments to this measure are therefore necessary.

Accordingly, your Committees have amended this measure by:

- (1) Deleting the provisions relating to the reciprocity program, extension of the maximum duration of a qualifying patient's written certification, exemption from the background check requirement for certain employees without direct contact with cannabis, and addition of a subpoena requirement for the Department of Health to access certain dispensary and production center records;
- (2) Incorporating language from the Working Group and Department of Health into the description of devices that provide safe pulmonary administration to clarify that a device that provides safe pulmonary administration is used to aerosolize and deliver cannabis orally, such as a medical-grade inhaler or nebulizer, and uses single-use, disposable, pre-filled, tamper-resistant, sealed containers;
- (3) Clarifying that increased dosage per pack or container limits do not exempt dispensaries from adhering to existing dispensing limits;

- (4) Inserting an amendment to section 453-1.3, Hawaii Revised Statutes, to conform to the provision allowing a bona fide physician-patient relationship to be established via telehealth; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2718, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2718, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Tokuda).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 2273 Commerce, Consumer Protection, and Health on S.B. No. 2650

The purpose and intent of this measure is to:

- (1) Make permanent the requirement for certain motion picture theater owners and operators to provide open movie captioning for at least two showings per week, one of which shall have a scheduled start time no earlier than 4:30 p.m.; and
- (2) Repeal the requirement to provide an option of personal closed captioning screenings by means of lightweight eyewear.

Your Committee received testimony in support of this measure from the Office of Language Access; Disability and Communication Access Board; State Council on Developmental Disabilities; Hawai'i Civil Rights Commission; Hawaii Disability Rights Center; Aloha State Association of the Deaf; Comprehensive Service Center; Isle Interpret, LLC; and sixty-eight individuals. Your Committee received testimony in opposition to this measure from the Regal Entertainment Group, Consolidated Theaters, and seventeen individuals.

Your Committee finds that Act 39, Session Laws of Hawaii 2015 (Act 39), required movie theaters with more than two locations in Hawaii to provide open movie captioning at two showings per week. Act 39 augmented federal requirements, which require movie theaters to offer an assistive technology option to view movies with closed captioning. However, Act 211, Session Laws of Hawaii 2017 (Act 211), rolled back the requirements established by Act 39, by requiring movie theaters to offer one viewing, rather than two, with open captioning per week and offer lightweight eyewear as an alternative to open movie captioning. This measure seeks to restore the original requirements contemplated by Act 39, which enabled deaf, hard of hearing, and deaf blind consumers to enjoy movies in a similar manner as those who do not require open movie captioning.

According to testimony from the Disability and Communication Access Board, the deaf community strongly prefers open captioning to any type of eyewear, even if lightweight. The Disability and Communication Access Board noted that the federal closed captioning law pertaining to eyewear was not a preference of the deaf and hard of hearing community, but rather a compromise with the movie theater industry. The Disability and Communication Access Board also noted that federal requirements permit movie theaters to use any option to view closed captions, while Act 211 specifies one particular type of closed captioning device, in the form of lightweight eyewear. Your Committee further finds that given the rapid technological advances common in today's society, referencing a specific type of technology, such as lightweight eyewear, in statute is problematic, as it is likely that such technology could soon be rendered obsolete.

Finally, your Committee notes that open movie captioning also provides a critical benefit to Limited English Proficient individuals and English-Language Learners. According to the Office of Language Access, open movie captioning can be a great tool for Limited English Proficient individuals and English-Language Learners to enjoy movies and can increase opportunities to learn the correspondence between spoken and written language.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2650, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2650, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Chang). Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 2274 Commerce, Consumer Protection, and Health on S.B. No. 2772

The purpose and intent of this measure is to clarify:

- (1) Bond requirements for money transmitter licensees; and
- (2) The powers of the Commissioner of Financial Institutions relating to money transmitters.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure clarifies the powers of the Commissioner of Financial Institutions and amends bond provisions for consistency with terms used in the Money Transmitters Act. This measure also enhances the Commissioner of Financial Institutions' ability to take appropriate action against violators of the State's money transmitters law, deter noncompliance, and protect consumers.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2772, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2772, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2275 Commerce, Consumer Protection, and Health on S.B. No. 2054

The purpose and intent of this measure is to:

- (1) Clarify the process, including payment obligations, mediation requirements, and triggers for further default, where a condominium unit owner and association reach a payment plan to resolve a nonjudicial foreclosure; and
- (2) Establish procedures that provide condominium owners with the right to submit disputed legal fees, penalties or fines, late fees, lien filing fees, or other charges, except for common expense assessments, to the mediation process prior to payment.

Your Committee received testimony in support of this measure from the Hawaii Council of Associations of Apartment Owners; Hawaiian Affairs Caucus, Democratic Party of Hawai'i; Community Associations Institute, Hawaii Chapter; Hui 'Oia'i'o; and five individuals. Your Committee received testimony in opposition to this measure from five individuals.

Your Committee finds that under existing law, if an association of apartment owners starts a nonjudicial foreclosure against a condominium owner and the owner pays off the delinquency or proposes a payment plan that the association accepts, the association must rescind the notice of foreclosure and not proceed. However, proposing a payment plan is not sufficient on its own to cure a default. Accordingly, this measure clarifies the process once a condominium owner and association agree on a payment plan to resolve a nonjudicial foreclosure on a condominium.

Your Committee further finds that this measure also amends Hawaii's existing pay first, dispute later requirement, which specifies that owners are not permitted to withhold any assessment claimed by their association, but must first pay the disputed amounts and then exercise their right to mediation, arbitration, or small claims court. Your Committee understands that condominium associations in Hawaii would be unable to function if owners were able to withhold payments of common expense assessments. Accordingly, this measure makes a narrowly-tailored exception to the pay first, dispute later requirement by clarifying that common expense assessments are the only fees that must be paid prior to initiating a dispute. If the unit owner contests any penalties or fines, late fees, lien filing fees, or other charges in an assessment, then the unit owner may, under certain circumstances, proceed to mediation prior to paying those charges.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2054 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2276 Commerce, Consumer Protection, and Health on S.B. No. 2959

The purpose and intent of this measure is to allow a condominium board to borrow money for the installation of equipment for the health and safety of residents, in the event of a legislative mandate to install such equipment, without the consent of owners where at least twenty percent of owners reside outside of the United States.

Your Committee received testimony in support of this measure from the Hawaii Council of Associations of Apartment Owners; Hawaiian Affairs Caucus, Democratic Party of Hawai'i; Associa; and one individual. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from one individual.

Your Committee finds that in the aftermath of the devastating Marco Polo condominium fire, the Honolulu City Council established the Residential Fire Safety Advisory Committee to recommend changes to City ordinances relating to the fire code and suggest ways that high-rise residential buildings could be made safer for residents and first responders. One measure under consideration is the mandatory installation of fire sprinklers, which may pose a significant financial challenge to condominium associations.

According to testimony received by your Committee, one of the challenges faced by the Residential Fire Safety Advisory Committee was how to assist condominium associations who wished to borrow funds necessary for fire sprinkler retrofitting. Under existing state law, borrowing such funds requires the consent of fifty percent of the ownership interest, which can be a challenging threshold to meet, particularly when many owners of a condominium association reside outside the United States.

This measure therefore establishes a narrowly-tailored exception to this fifty percent requirement by specifying that, in the event of a legislative mandate and where at least twenty percent of condominium owners reside outside of the country, the board of directors of a condominium association shall not be required to obtain the consent of the owners prior to borrowing money to pay for the legislatively-mandated installation of equipment or improvements to the common areas of the condominium for the health and safety of residents.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2959 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2277 Commerce, Consumer Protection, and Health on S.B. No. 2924

The purpose and intent of this measure is to establish an individual mandate for certain qualified taxpayers to sign up and maintain health insurance throughout the year, or pay a penalty on their individual income tax return.

Your Committee received testimony in support of this measure from The Queen's Health Systems, Kaiser Permanente Hawaii, and Planned Parenthood Votes Northwest and Hawaii. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from the Department of Taxation, Department of Commerce and Consumer Affairs, Tax Foundation of Hawaii, and Hawaii Medical Service Association.

Your Committee finds that the Patient Protection and Affordable Care Act of 2010 (Affordable Care Act) includes an individual coverage requirement, commonly known as the individual mandate, that requires most people in the country to have health insurance and imposes tax penalties on those without an exemption who do not comply. The individual mandate is an important part of the overall health reforms established under the Affordable Care Act, which was designed to extend insurance to nearly all people, including those with medical conditions that require expensive care and who may have previously been denied coverage. Prior to the enactment of the Affordable Care Act, states that attempted to manage guaranteed issue markets without individual coverage mandates experienced rising premiums and fewer options for consumers. The Affordable Care Act's individual mandate therefore guarantees that insurers have a large enrollment base, which broadens the risk pool and ensures that health insurance premiums remain more affordable for everyone.

Your Committee further finds that with the enactment of the Affordable Care Act and the federal individual mandate, many more Hawaii residents obtained affordable health insurance. However, recent actions by Congressional Republicans to reduce the federal individual mandate's penalty to zero have created a lack of certainty and stability in the State's individual market, which are the biggest contributors to health insurance premium hikes. This measure establishes a state-level individual mandate, which is intended to help protect and preserve Hawaii's individual market.

Your Committee has heard the concerns raised in testimony from the Departments of Taxation and Commerce and Consumer Affairs, including comments regarding how to assess the affordability of health plans and the most appropriate agency to determine creditable coverage. Your Committee notes that this measure is a work in progress and acknowledges that additional discussion is needed as this measure moves through the legislative process.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion;
- (2) Inserting a five-year sunset date; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2924, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2924, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 2278 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2796

The purpose and intent of this measure is to change the composition of the Policy Advisory Board for Elder Affairs by decreasing the number of members, changing the number of ex officio members, and specifying that ex officio members are nonvoting members.

Your Committees received testimony in support of this measure from the Department of Health Executive Office on Aging.

Your Committees find that the Policy Advisory Board for Elder Affairs has a large number of ex officio members, many of whom are under the age of sixty, which makes it difficult to meet quorum and satisfy the statutory requirement that a majority of Board members be over sixty years old. Your Committees further find that although ex officio members of the Board are voting members, they are sometimes unable to attend Board meetings due to their primary job responsibilities and not as familiar as other members with aging issues. This measure changes the number of members and composition of the Board to improve the efficiency of the Board and ensure that the decisions of the Board are better informed by members with first-hand experience, knowledge, interest, and expertise in aging issues.

Your Committees note their concern that the Policy Advisory Board for Elder Affairs has four vacancies for which nominees have not yet been presented to the Governor for appointment. Your Committees strongly urge the Board to identify potential nominees as soon as possible. Despite your Committees' concern, your Committees recognize that the Board has encountered genuine challenges in filling vacancies and believe that this measure will help alleviate challenges impeding the Board's work.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2796, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2796, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.
Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).
Human Services: Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2279 Education on S.B. No. 2665

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including goal four, quality education, of the seventeen United Nations Sustainability Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Agriculture, Department of Education, Department of Human Services, Office of Hawaiian Affairs, Hawaii State Teachers Association, Airport Concessionaires Committee, Oahu Economic Development Board, and Oahu County Committee on Legislative Priorities for the Democratic Party of Hawaii. Your Committee received comments on this measure from the Office of Planning.

Your Committee finds that Hawai'i has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that the priority of the Senate for the Regular Session of 2018 is to adopt the United Nation's Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal four, quality education, into state law.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2665 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 2280 Education on S.B. No. 3070

The purpose and intent of this measure is to establish and appropriate funds for a Hawaii teacher stipend program to be administered by the Department of Education to address the shortage of teachers in the Hawaii public school system.

Your Committee received testimony in support of this measure from the Department of Education, University of Hawai'i System, Hawaii State Teachers Association, Hawaii Teacher Standards Board, HE'E Coalition, Oahu County Committee on Legislative Priorities for the Democratic Party of Hawaii, and one individual. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that Hawaii has been experiencing teacher shortages over the last several years, and that it is particularly difficult to fill vacancies for teachers in select fields in education in the State. Additionally, the number of in-state graduates from state approved teacher certification programs has fallen, which has resulted in an overreliance on out-of-state hires. To help fill these critical positions in the Hawaii public school system with in-state teachers, a teacher stipend should be created to encourage qualified students to pursue teaching degrees. Your Committee further finds that in order for a teacher stipend program to have a positive impact on students pursuing teaching degrees, it is essential that the Department of Education and University of Hawaii College of Education collaborate on the implementation and execution of the program.

Your Committee has amended this measure by clarifying that a stipend recipient under the Hawaii teacher stipend program shall be required to teach in the Hawaii public school system for five consecutive years immediately following completion of a state approved teacher education program, subject to repayment of stipend funds.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3070, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3070, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 2281 Education on S.B. No. 2226

The purpose and intent of this measure is to, beginning January 1, 2020, require specialized training in early childhood education for all teachers and educational assistants within the Executive Office on Early Learning public pre-kindergarten program.

Your Committee received testimony in support of this measure from the Executive Office on Early Learning, Hawaii State Teachers Association, and two individuals.

Your Committee finds that the State's Executive Office on Early Learning public prekindergarten program serves children by providing them with high-quality early learning. However, there are insufficient teachers in the public prekindergarten program with the specialized training necessary to best provide the required high-quality early learning to the State's children. This measure ensures that all teachers and educational assistants in the public prekindergarten program have specialized early childhood training to address the children's physical, cognitive, linguistic, social, and emotional development, and to prepare the children for school.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2022, to allow the Executive Office on Early Learning additional time to work with institutions of higher education to ensure access to coursework necessary for educators to meet these requirements; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2226, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2226, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2282 Education on S.B. No. 2070

The purpose and intent of this measure is to require the Department of Education to:

- (1) Develop a plan to teach digital citizenship and media literacy in grades kindergarten through twelve in public schools, including charter schools and Hawaiian language immersion schools;
- (2) Convene an advisory committee to make recommendations on best practices for purposes of developing and implementing the plan; and
- (3) Submit an annual report to the Legislature on the plan, including the timeline for implementing the plan.

Your Committee received testimony in support of this measure from Media Literacy Now, Common Sense Kids Action, Hawaii Public Charter Schools Network, Kamehameha Schools, and one individual. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that media literacy is a necessary skill that allows all citizens to access, analyze, and evaluate information using a variety of forms of communication. It is essential that students from kindergarten through grade twelve are educated in media literacy to obtain the skills and experiences needed to become full participants in the digital world, including instruction in understanding how media shapes perceptions. As students understand how to use technology responsibly, they will gain the ability to recognize and value the rights, responsibilities, and opportunities of living, learning, and working in an interconnected digital world.

Your Committee has amended this measure by:

- (1) Extending the unspecified date when the advisory committee shall make recommendations to the Department of Education by one year;
- (2) Inserting a blank month and calendar day in 2019 when the Department of Education is required to begin submitting its annual report to the Legislature on the Department's plan, including the timeline for implementing instruction in digital citizenship and media literacy in grades kindergarten through twelve; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2070, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2070, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2283 Education on S.B. No. 2051

The purpose and intent of this measure is to allow individual Department of Education schools and career pathways, academies, or programs operated within a Department of Education school to engage in commercial enterprises, including the sale of goods produced by or for an individual school, career pathway, academy, or program.

Your Committee received testimony in support of this measure from the Department of Education, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and seven individuals.

Your Committee finds that, in preparation for entering the workforce, it is essential that career development is incorporated into education. Career and technical education programs in public schools support hands-on learning experiences for students and provide students an opportunity to apply content skills and knowledge in entrepreneurial and relevant ways. Allowing public school career development programs to market products and services and deposit funds back into the program will help keep these programs sustainable, while providing students with valuable opportunities.

Your Committee has amended this measure by specifying that the Department of Education is authorized, not required, to adopt rules pursuant to chapter 91, Hawaii Revised Statutes, for the purposes of allowing individual Department of Education schools and career pathways, academies, or programs operated within a Department of Education school to engage in commercial enterprises.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2051, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2051, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2284 Education on S.B. No. 2780

The purpose and intent of this measure is to make miscellaneous technical amendments to update language and facilitate library operations, including amending provisions related to the detention of public library materials and administration of the library fee for enhanced services special fund.

Your Committee received testimony in support of this measure from the Hawaii State Public Library System. Your Committee received comments on this measure from one individual.

Your Committee finds that Hawaii's public libraries offer many public benefits, including acting as community gathering places where learning happens and knowledge is shared. Many members of the public, including children and kupuna, rely on the public library system, which necessitates the need for the system to operate as efficiently and effectively as possible.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2780, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2780, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 2285 Education on S.B. No. 2781

The purpose and intent of this measure is to increase the amount of authorized income tax check-off that may be designated payable from \$2 to \$4 from a state income tax refund for an individual and from \$4 to \$8 from a state income tax refund for a married couple filing jointly to the libraries special fund.

Your Committee received testimony in support of this measure from the Department of Taxation, Hawaii State Public Library System, and two individuals. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that library patrons' demand for library books and materials, including electronic resources of the Hawaii State Public Library System, are increasing every year. Since the initial adoption of the library special fund check-off in 2003, the collection of the Hawaii State Public Library System has transitioned from a paper-based collection to one that includes library materials in a variety of different and new formats to keep up with new technology and in response to the requests of library patrons statewide. This measure provides an opportunity for the public to increase their support to the Hawaii State Public Library System by making a contribution toward the purchase of additional library materials.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2781, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2781, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 2286 Labor on S.B. No. 2372

The purpose and intent of this measure is to require the Hawaii Labor Relations Board to adopt emergency rules if the Board finds that Hawaii's collective bargaining in public employment law, or the application thereof, is inconsistent with any federal or state law and the adoption of an emergency rule is urgently needed.

Your Committee received testimony in support of this measure from the University of Hawaii Professional Assembly and United Public Workers, AFSCME, Local 646, AFL-CIO.

Your Committee finds that based upon the anticipated 2018 United States Supreme Court ruling in *Janus v. American Federation of State, County and Municipal Council 31*, U.S. Supreme Court Docket No. 16-1466, the constitutional and statutory underpinnings of Hawaii public sector collective bargaining may be at risk. This court decision may require statutory changes; however, a challenge arises when the Legislature is not in session and an event or series of circumstances arise that requires immediate action to mitigate any damage. Your Committee further finds that the current circumstances presented by the *Janus* case, and related cases which are making their way through the federal courts, may present immediate, important questions regarding the application of chapter 89, Hawaii Revised Statutes, relating to collective bargaining. Accordingly, your Committee finds that it is necessary to grant the Hawaii Labor Relations Board emergency rulemaking powers.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 1, 2045, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2372, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2372, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 2287 Labor on S.B. No. 2288

The purpose and intent of this measure is to require Hawaii employers to engage in fair scheduling practices, including providing employees with written notice of the employee's shift schedule at least ten calendar days before the employee is schedule to work, under certain conditions.

Your Committee received testimony in support of this measure from Hawaii State AFL-CIO, Hawai'i Appleseed Center for Law & Economic Justice, Labor Caucus of the Democratic Party of Hawai'i, Vote Hawaii, and seven individuals. Your Committee received testimony in opposition to this measure from the City and County of Honolulu, Department of Human Resources; Chamber of Commerce Hawaii; Hawaii Food Industry Association; Hawaii Restaurant Association; National Federation of Independent Business; Society for Human Resource Management – Hawaii Chapter; Boss Frog's Dive & Surf; Hawaii Credit Union League; Quicksilver

Charters; Fair Wind Cruises; Ocean Tourism Coalition; and Tiki's Grill and Bar. Your Committee received comments on this measure from the Department of Public Safety.

Your Committee finds that providing advance notice of work schedules and any schedule changes allows employees to have more stability in their lives, including the ability to earn additional income when working more than one job, ensure childcare arrangements, schedule necessary errands and appointments, and be available for family events.

Your Committee has amended this measure by:

- (1) Inserting language to provide that fair scheduling requirements do not affect the rights of employees and employers under existing collective bargaining agreements;
- (2) Deleting language that would have exempted an employer from paying an employee double the rate of pay if the employee is required to work a shift to cover another employee's absence no more than once in a three-month period without ten calendar days' notice;
- (3) Inserting an effective date of January 1, 2045, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2288, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2288, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2288 Judiciary on S.B. No. 2204

The purpose and intent of this measure is to appropriate funds to the State Foundation on Culture and the Arts to fund celebrations for the fiftieth anniversary of the Hawaii State Capitol.

Your Committee received testimony in support of this measure from the State Foundation on Culture and the Arts, Center for Hawaiian Sovereignty Studies, Historic Hawai'i Foundation, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that the Hawaii State Capitol is designated on the Hawaii and National Registers of Historic Places. March 15, 2019, will mark the fiftieth anniversary of the completion of the capitol, and the Legislature has directed that there will be a commemoration of the historic building and its role in Hawaii's history. This celebration will encourage public understanding of the history and purpose of the Hawaii State Capitol, and through that appreciation, the heritage and character of Hawaii. The appropriation of funds in this measure will further enable that celebration and understanding to take place.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2204 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2289 Judiciary on S.B. No. 2896

The purpose and intent of this measure is to appropriate funds as a grant to the Japanese Cultural Center of Hawaii for the presentation and coordination of events and programs to celebrate and commemorate the one hundred fiftieth anniversary of the first arrival of Japanese emigrants to Hawaii.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Japanese Cultural Center of Hawai'i; Historic Hawai'i Foundation; Gannenmono Celebration Committee; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that the Gannenmono Celebration commemorates the one hundred fiftieth anniversary of the arrival of the first group of Japanese emigrants to Hawaii. Twenty community organizations in Hawaii are planning events during this year-long celebration to celebrate the legacy of these Japanese emigrants and the contributions that they and their descendants have made in Hawaii through the years. This measure will provide the resources to ensure broader participation from the public, increased educational activities in schools, collection of oral histories, and further research on the Gannenmono immigrants and their legacy.

Your Committee notes that certain events are scheduled to be held prior to the ability of this Legislature to appropriate funds.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2896 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2290 Agriculture and Environment on S.B. No. 2111

The purpose and intent of this measure is to establish a two-year agricultural theft and vandalism pilot project to examine the effectiveness of prosecuting agricultural theft and vandalism cases, including theft and vandalism affecting individuals who produce agricultural products for personal or small-scale commercial use on any land, in the County of Hawaii.

Your Committee received testimony in support of this measure from the Department of Agriculture; County of Hawaii Office of the Prosecuting Attorney; Hawai'i County Council Chairwoman, Valerie T. Poindexter; Hawai'i County Councilmember Eileen O'Hara; Ulupono Initiative; Hawaii Coffee Company; Hawai'i Farm Bureau; Hawaii Coffee Association; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and Hawaii Crop Improvement Association. Your Committee received comments on this measure from the Land Use Research Foundation of Hawaii.

Your Committee finds that agricultural theft and vandalism in the County of Hawaii are impediments to not only running a successful and profitable farming operation, but also to growing food or agricultural products for personal or small-scale commercial use. Agricultural theft and vandalism are a serious, ongoing problem, with farmers reporting theft of crops, animals, equipment, and tools, and vandalized fences and gates. Since many incidents of agricultural theft and vandalism are not reported, the annual monetary losses can only be estimated in the millions of dollars. By establishing an agricultural theft and vandalism pilot project for the County of Hawaii, this measure provides additional focus on investigating and prosecuting agricultural theft and vandalism.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2111 and recommends that it pass Second Reading and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Rhoads).

SCRep. 2291 Agriculture and Environment on S.B. No. 2522

The purpose and intent of this measure is to provide creative means of financing for agriculture businesses in Hawaii by:

- (1) Establishing the agriculture accelerator program to authorize the Agribusiness Development Corporation (ADC) to provide monies to and invest in existing or new agriculture businesses approved by the Board of Directors of the ADC in return for equity in those agriculture businesses; and
- (2) Establishing an agriculture accelerator special fund to provide funds for the ADC to provide monies to and invest in agriculture businesses under the agriculture accelerator program.

Your Committee received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Hawai'i Farm Bureau; and Hawaii Cattlemen's Council, Inc. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the ability for the ADC to establish an agriculture accelerator program and issue grants will provide the means to assist local farming operations, make investments to strengthen and diversify Hawaii's agriculture, attract and retain businesses, and streamline the ADC's operations. Your Committee further finds that an agriculture accelerator program may help foster partnerships to facilitate agribusiness projects and help grow Hawaii's agriculture industry.

Your Committee emphasizes its belief that priority should be given to agriculture focused on crops for local use and consumption, rather than export crops, under any agriculture accelerator program.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2522 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4; Ayes with Reservations (Riviere, Ruderman). Noes, none. Excused, 1 (Rhoads).

SCRep. 2292 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2296

The purpose and intent of this measure is to require metropolitan planning organization policy boards to include at least one member of the Senate and one member of the House of Representatives from that metropolitan planning area and to define "metropolitan planning area" as the geographic area determined by agreement between a metropolitan planning organization and the Governor.

Your Committees received testimony in support of this measure from the Department of Transportation and Maui Metropolitan Planning Organization. Your Committees received testimony in opposition to this measure from the Chair of the Oahu Metropolitan Policy Board.

Your Committees find that the population growth in Maui County and Hawaii County means that each will soon have a metropolitan planning organization. This measure will provide these new metropolitan planning organizations some flexibility in their policy board membership, if the organization chooses to have a smaller policy board.

Your Committees have heard the testimony expressing concerns that there might be a conflict between state and federal law if this measure passes. Your Committees note that in 2014, the Federal Highway Administration has previously brought up an issue with the composition of the Oahu Metropolitan Planning Organization, advising that allowing an individual who was not in the metropolitan planning organization to have voting power might be against federal law, and could result in loss of federal funding. While this measure is intended to accommodate new metropolitan planning organizations that will be created in the near future, Oahu members of your Committees are concerned that the language as currently written might jeopardize the Oahu Metropolitan Planning Organization's compliance review recertification. If the "at least one member" language of this measure is interpreted as allowing a Senate or House appointee that is not from the "applicable metropolitan planning area", this could re-raise federal noncompliance issues that may jeopardize federal funding. Your Committees find that this issue merits further consideration and requests that your Committee on Ways and Means further examine this issue.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2296 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 5. Noes, none. Excused, none.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Ihara).

SCRep. 2293 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 3049

The purpose and intent of this measure is to impose an importation fee for motor vehicles that are imported into the State and for the importation fee to be paid to the county that is the final destination of the vehicle and expended for the purpose of disposing of abandoned vehicles.

Your Committees received comments on this measure from the Hawaii Automobile Dealers' Association.

Your Committees find that there are over fifty thousand new vehicles brought into this State every year, without accounting for people shipping their cars to the State when they move to Hawaii. Your Committees also find that removing cars from this State can be onerous, resulting in abandoned vehicles that are an eyesore to the community. While there are already county efforts to dispose abandoned vehicles, your Committees note that the cost of disposal can vary drastically, in response to the fluctuation of metal prices, and that additional county funds to pay for disposal can minimize the impact of fluctuating costs.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3049 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 5. Noes, none. Excused, none.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Ihara).

SCRep. 2294 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2240

The purpose and intent of this measure is to allow the owner of a vehicle, at the time of vehicle registration, to designate a beneficiary to whom ownership of the vehicle will be transferred upon the death of the owner.

Your Committees received testimony in support of this measure from one individual.

Your Committees find that owners of motor vehicles do not always prepare for the ownership of their vehicle after they die. The absence of legal ownership can then lead to complications about vehicle ownership, annual registration and safety checks, maintenance, and abandonment. By allowing the owner to designate a beneficiary, some of these complications can be alleviated.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2240 and recommend that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 5. Noes, none. Excused, none.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Ihara).

SCRep. 2295 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2210

The purpose and intent of this measure is to automatically register people to vote when they apply for a new or renewed driver's license, provisional license, instruction permit, limited purpose driver's license, limited purpose provisional license, limited purpose instruction permit, or identification card; provided that applicants are allowed to opt out of automatic voter registration.

Your Committees received testimony in support of this measure from the Office of Elections; Office of the City Clerk, City and County of Honolulu; Sierra Club of Hawaii; Oahu County Committee on Legislative Priorities for the Democratic Party of Hawaii; Hawaii Appleseed Center for Law & Economic Justice; We Are One, Inc.; Hawaii Alliance for Progressive Action; League of Women Voters of Hawaii; Americans for Democratic Action; Common Cause Hawaii; Planned Parent Votes Northwest and Hawaii; and eighteen individuals. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that automatic voter registration removes barriers to the electoral process and maximizes voter registration. Automatic voter registration strengthens democracy and modernizes elections. In addition, if implemented well, elections can be more secure. Your Committees note the numerous testifiers who mentioned the status Hawaii has as the state with the lowest turnout in the country for over a decade, and their hopes that instituting automatic voter registration will increase involvement in the democratic process.

Your Committees have heard the testimony expressing concern that certain applicants who apply for limited purpose driver's licenses, limited purpose provisional driver's licenses, limited purpose instruction permits, and identification cards might not be authorized to vote, and that automatically registering these applicants might inadvertently result in severe repercussions for these applicants. Your Committees find that this raises concerns that merit further consideration and requests that your Committees on Judiciary and Ways and Means examine those issues and concerns.

Your Committees have also heard the testimony of Common Cause Hawaii that the Department of Transportation and Office of Elections have entered into a memorandum of agreement allowing for the electronic transfer of information for voter registration

purposes and that certain language in section 2 of S.B. No. 2232 would help to address the electronic sharing of information between the Department and the Office of Elections while ensuring the integrity of the State's voter rolls.

As such, your Committees have amended this measure by inserting language from S.B. No. 2232 to:

- (1) Clarify that the Examiner of Drivers shall not transmit to the counties any information necessary to register an applicant as a voter if that applicant affirmatively declines to be registered to vote;
- (2) Require that databases maintained by the Department of Transportation containing certain pertinent information be directly accessible by, and provided electronically to, election officials and the statewide voter registration system for certain purposes; and
- (3) Require the Chief Election Officer to establish and implement a privacy policy to protect certain information.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2210, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2210, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 5. Noes, none. Excused, none.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Ihara).

SCRep. 2296 Water and Land on S.B. No. 694

The purpose and intent of this measure is to:

- (1) Require an oceanfront purchaser statement with the sale or transfer of oceanfront real estate;
- (2) Specify provisions that every purchaser or transferee of oceanfront property is required to acknowledge under the oceanfront purchaser statement; and
- (3) Require all oceanfront purchaser statements to be notarized and recorded in the Bureau of Conveyances.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Sierra Club of Hawai'i, and one individual. Your Committee received testimony in opposition to this measure from the Hawai'i Association of REALTORS.

Your Committee finds that oceanfront property is often vulnerable to hazards, such as coastal erosion and flooding from tsunamis, storms, and high waves. These hazards can be exacerbated by sea level rise and human-caused interruptions to natural sand supply. Owners of oceanfront property are at risk of losing land when shorelines undergo landward retreat, which negatively impacts building setbacks, property values, and insurance availability. Furthermore, oceanfront property owners face stringent permit requirements imposed by the counties and State for shoreline protection. This measure enables oceanfront property purchasers and transferees to better understand the special hazards, permitting requirements, and limitations that may affect the oceanfront property by requiring an oceanfront purchaser statement with the sale or transfer of any oceanfront real estate.

Your Committee further finds that in December 2017, the Hawaii Climate Change Mitigation and Adaptation Commission accepted the Hawaii Sea Level Rise Vulnerability and Adaptation Report (SLR Report). The first recommendation of the SLR Report is to "[r]ecognize the SLR-XA (Sea Level Rise Vulnerability Area) as a statewide vulnerability zone." The SLR-XA demonstrates the extent of the potential exposure of land and structures to flooding and erosion with an increase of 0.5, 1.1, 2.0, and 3.2 feet of sea level rise throughout the State. Thus, your Committee believes that sea level rise is a concern for all real property owners, not only oceanfront property owners.

Accordingly, your Committee has amended this measure by:

- (1) Changing the name of the statements from oceanfront purchaser statements to sea level rise hazard exposure statements;
- (2) Applying the sea level rise hazard exposure statements to all sales or transfers of real property, not just the sale or transfer of oceanfront property;
- (3) Removing the provisions that every purchaser or transferee of oceanfront property is required to acknowledge under the exposure statement and inserting a requirement for an acknowledgement by the purchaser or transferee that the purchaser or transferee has looked at the appropriate sea level rise hazard exposure map and accepts risks of purchasing or accepting a transfer of property that is at risk of climate-related exposure;
- (4) Removing the requirement that all oceanfront purchaser statements be notarized and recorded in the Bureau of Conveyances;
- (5) Making conforming amendments to section 1 to reflect the amendments made by your Committee;
- (6) Changing the effective date to November 1, 2019, to allow additional time for implementation; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 694, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 694, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2297 Water and Land on S.B. No. 3027

The purpose and intent of this measure is to appropriate funds for the Kaho'olawe Island Reserve Commission to restore, preserve, and determine the appropriate uses of Kaho'olawe Island and to fund one full-time equivalent permanent position for the Kaho'olawe Island Reserve Commission.

Your Committee received testimony in support of this measure from the Kaho'olawe Island Reserve Commission, Hawaiian Affairs Caucus of the Democratic Party of Hawai'i, Hawaiian Civic Club of Honolulu, Maui Nui Seabird Recovery Project, Na Ko'oko'o, South Maui Citizens for Responsible Growth, Center for Hawaiian Sovereignty Studies, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and forty-one individuals.

Your Committee finds that during the past fourteen years, the Kaho'olawe Island Reserve Commission has developed innovative and effective restoration projects that serve as a foundation for the future restoration of the island. In 2016, the Commission submitted a detailed financial self-sufficiency and sustainability plan to establish the necessary baseline level of funding needed to continue work on Kaho'olawe. As a result, Act 49, Session Laws of Hawaii 2017, provided general funds and authorized fifteen positions for fiscal years 2017-2018 and 2018-2019. Although these funds allow the Commission to continue its mission in the short term, these funds are only sufficient to support staffing, Maui-based facilities, and Maui-based operations. This measure provides additional funding to support Kaho'olawe Island operations, safety, and infrastructure, as well as to restore the cultural resource project coordinator position, which is a critical position needed to manage, protect, and restore the archaeological and historical resources of Kaho'olawe.

Your Committee has amended this measure by:

- (1) Specifying that the appropriation for one full-time equivalent permanent position is for a cultural resource project coordinator; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3027, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3027, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Inouye, Thielen).

SCRep. 2298 Labor on S.B. No. 2220

The purpose and intent of this measure is to prohibit an employer from suspending, discharging, or discriminating against an employee for testing positive for cannabis if the employee is a registered qualifying patient who is authorized for the medical use of cannabis, with certain exceptions.

Your Committee received testimony in support of this measure from the Hawai'i Civil Rights Commission, Drug Policy Forum of Hawai'i, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and three individuals. Your Committee received testimony in opposition to this measure from the Hawaii Substance Abuse Coalition; Big Island Substance Abuse Council; and Ohana Makamae, Inc. Your Committee received comments on this measure from the Department of Public Safety.

Your Committee finds that this measure protects medical cannabis patients who are in full compliance with state law from discriminatory termination by their employer. Eleven other states have enacted laws with explicit protections against discrimination of medical cannabis patients.

Your Committee acknowledges that use of medical cannabis remains prohibited under federal law. Thus, your Committee requests that, as this measure moves through the legislative process, the Department of the Attorney General submit an opinion to your Committee on Judiciary regarding the implications of this measure under federal law.

Your Committee has amended this measure by:

- (1) Exempting state law enforcement officers and state correctional facility employees; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2220, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2220, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2299 Labor on S.B. No. 2244

The purpose and intent of this measure is to:

- (1) Require health care providers in the workers' compensation system who are authorized to prescribe opioids to adopt and maintain policies for informed consent to opioid therapy in circumstances that carry elevated risk of dependency; and
- (2) Establish limits for concurrent opioid and benzodiazepine prescriptions in the workers' compensation system.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations; Department of Health; City and County of Honolulu, Department of Human Resources; and Drug Policy Forum of Hawai'i. Your Committee received testimony in opposition to this measure from Hawaii Health Systems Corporation.

Your Committee finds that a nationwide drug epidemic, associated with prescription pain relieving drugs, is causing alarming rates of addiction, overdose, and death. This measure attempts to address the issue of misuse and abuse of prescription drugs by requiring health care providers in the workers' compensation system who are authorized to prescribe opioids to adopt and maintain policies for informed consent to opioid therapy in circumstances that carry elevated risk of dependency and limiting concurrent opioid and benzodiazepine prescriptions.

Your Committee has heard the concerns from the Department of Labor and Industrial Relations and Hawaii Health Systems Corporation concerning implementation of this measure but believes such concerns would be best addressed by your Committee on Commerce, Consumer Protection, and Health.

Your Committee has amended this measure by inserting an effective date of January 1, 2045, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2244, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2244, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 2300 Labor on S.B. No. 3106

The purpose and intent of this measure is to provide three categories and twelve factors for the Department of Labor and Industrial Relations to apply to determine independent contractor status.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii; Molokai Chamber of Commerce; Maui Chamber of Commerce; Envisions Entertainment & Productions, Inc.; West Maui Taxpayers Association, Inc.; Island Landscape, LLC; and four individuals. Your Committee received testimony in opposition to this measure from the Department of Labor and Industrial Relations; Hawaii State AFL-CIO; ILWU Local 142; SAG-AFTRA Hawaii Local; I.A.T.S.E. Local 665; American Federation of Musicians' Local 677; and Hawaii Teamsters & Allied Workers Local 996.

Your Committee finds that independent contractors are an important part of Hawaii's business community and economy. Your Committee also finds that the existing Hawaii employment security law has been broadly interpreted when determining who qualifies as an independent contractor versus who is an employee of an employer. This measure seeks to provide greater clarity to those individuals choosing to become entrepreneurs and operate as independent contractors by setting forth in greater detail the criteria used to determine independent contractor status.

Your Committee has amended this measure by inserting an effective date of January 1, 2045, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3106, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3106, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2301 (Joint) Commerce, Consumer Protection, and Health and Judiciary on S.B. No. 2060

The purpose and intent of this measure is to:

- (1) Expand the scope of the Condominium Education Trust Fund to cover voluntary binding arbitration between interested parties;
- (2) Amend the conditions that mandate mediation and exceptions to mandatory mediation; and
- (3) Make conforming amendments.

Your Committees received testimony in support of this measure from the Community Associations Institute, Hawaii Chapter; Hawaii Council of Associations of Apartment Owners; and three individuals. Your Committees received testimony in opposition to this measure from Hui 'Oia'i'o. Your Committees received comments on this measure from the Real Estate Commission.

Your Committees find that alternative dispute resolution is a viable, affordable option for handling condominium-related disputes. However, under existing law, mediation is only nominally mandatory and there are few incentives to encourage parties to engage in alternative dispute resolution. Accordingly, this measure expands the scope of the Condominium Education Trust Fund to cover voluntary binding arbitration between interested parties and amends the conditions that mandate mediation and exceptions to mandatory mediation.

Your Committees further find that by subsidizing the expense of arbitrations, this measure incentivizes parties to voluntarily choose binding arbitration of condominium-related disputes. However, your Committees note that this incentive is contingent upon parties first making the effort to mediate a condominium-related dispute using evaluative mediation techniques. Pairing evaluative mediation with voluntary binding arbitration is an efficient way of encouraging greater use of alternative dispute resolution when addressing condominium-related disputes.

Your Committees have amended this measure by changing its effective date to January 1, 2019.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2060, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2060, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Tokuda).
 Judiciary: Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 2302 (Joint) Labor and Judiciary on S.B. No. 2228

The purpose and intent of this measure is to require the Employees' Retirement System (ERS) to comply with a court decree for the forfeiture of all or any portion of the ERS benefits to which a member, former member, or retirant of state or county employment would otherwise have been entitled if the member, former member, or retirant is convicted of a felony that the court finds to be related to the employment of the member, former member, or retirant.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations and Board of Trustees of the Employees' Retirement System.

Your Committees find that if a member of the ERS is convicted of a felony related to their employment, that member should no longer be eligible to receive benefits accrued during such employment and corresponding membership in the ERS. Your Committees further find that this measure requires members convicted of such felonies to forfeit their benefits without impairing or diminishing the accrued retirement benefits of other members of the ERS.

Your Committees have amended this measure by inserting an effective date of January 1, 2065, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Labor and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2228, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2228, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Labor: Ayes, 4. Noes, none. Excused, 1 (English).
 Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 2303 (Joint) Labor and Judiciary on S.B. No. 2364

The purpose and intent of this measure is to prevent employers from denying a workers' compensation claim without reasonable cause or while the claim is pending investigation and to impose fines and penalties on employers who continue to do so without reasonable cause.

Your Committees received testimony in support of this measure from the Work Injury Medical Association of Hawaii, Hawaii Chapter of the American Physical Therapy Association, and two individuals. Your Committees received testimony in opposition to this measure from the Department of Labor and Industrial Relations and Hawaii Insurers Council. Your Committees received comments on this measure from the Department of Human Resources Development and City and County of Honolulu Department of Human Resources.

Your Committees find that investigations into pending workers' compensation claims can lead to delays in care for those who are seriously injured. Patients waiting to hear from insurance companies are often unable to receive care and compensation until decisions are rendered. Your Committees find that this measure protects workers from predatory practices of delaying payment and care, which force workers to return to work with serious injuries, find less suitable employment, or apply for public assistance.

Your Committees have amended this measure by inserting an effective date of January 1, 2045, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Labor and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2364, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2364, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Labor: Ayes, 4. Noes, none. Excused, 1 (English).
 Judiciary: Ayes, 4; Ayes with Reservations (Thielen). Noes, none. Excused, 1 (Gabbard).

SCRep. 2304 (Joint) Labor and Transportation and Energy on S.B. No. 2297

The purpose and intent of this measure is to extend the sunset date of Act 65, Session Laws of Hawaii 2013 (Act 65), which provides a limited exemption to the licensing requirements for certain individuals in situations when an electric utility must retain qualified individuals to work with high voltage (six hundred volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility.

Your Committees received testimony in support of this measure from the Hawaii Emergency Management Agency; Board of Electricians and Plumbers; Chamber of Commerce Hawaii; Hawaiian Electric Company, Inc.; and Land Use Research Foundation.

Your Committees find that most in-state electrical workers are experienced in only low voltage work, which includes wiring buildings at one hundred twenty/two hundred forty volts; therefore, in the event of a catastrophic occurrence requiring electrical workers who possess the level of skill required for high voltage work, Hawaii must import workers from the mainland since there are not enough electricians, splicers, and linemen in the State who are experienced and qualified to work with high voltage and who could respond in the event of a catastrophic occurrence or complex maintenance work affecting an electric utility. Your Committees further find that Act 65 provides a limited exemption to the licensing requirements for certain individuals in situations when an electric utility must retain qualified individuals to work with high voltage (six hundred volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility; however, Act 65 sunsets on June 30, 2018. This measure extends the sunset date of Act 65 for five years, to June 30, 2023.

As affirmed by the records of votes of the members of your Committees on Labor and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2297 and recommend that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.
 Labor: Ayes, 5. Noes, none. Excused, none.
 Transportation and Energy: Ayes, 5. Noes, none. Excused, none.

SCRep. 2305 Commerce, Consumer Protection, and Health on S.B. No. 36

The purpose and intent of this measure is to amend the law relating to consumer protection.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by deleting its contents and replacing it with language that requires the Department of Commerce and Consumer Affairs to regulate all channel designations and relocation of public, educational, and governmental access channels and allows cable operators to relocate or change the designation of public, educational, and governmental access channels only under certain conditions.

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 36, as amended herein, and recommends that it be recommitted to your Committee on Commerce, Consumer Protection, and Health, in the form attached hereto as S.B. No. 36, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.
 Ayes, 5. Noes, none. Excused, 2 (Espero, Ihara).

SCRep. 2306 (Joint) Labor and Commerce, Consumer Protection, and Health on S.B. No. 2660

The purpose and intent of this measure is to:

- (1) In the event of a controverted workers' compensation claim, require an injured employee's private health care plan to pay for or provide medical care, services, and supplies; provided that when the claim is accepted, the employer shall reimburse the private health care plan and injured employee; and
- (2) In the event of an accepted workers' compensation claim for leukemia, multiple myeloma, non-Hodgkin's lymphoma, or certain cancers by a firefighter with five or more years of service, require an employer to be liable for one hundred thirty-seven percent of medical care, services, and supplies.

Your Committees received testimony in support of this measure from the Hawaii State Fire Council, Honolulu Fire Department, Hawaii Medical Association, Hawaii Insurers Council, Hawaii Fire Fighters Association, and five individuals. Your Committees received comments on this measure from the Department of Labor and Industrial Relations.

Your Committees find that firefighters are exposed to multiple carcinogens and toxicants that are known or suspected to cause cancer through incident exposure as residential and vehicle fires release highly concentrated toxicants from plastics and synthetics. This exposure places firefighters at significantly higher risks than the general population of getting testicular cancer, multiple myeloma, non-Hodgkin's lymphoma, skin cancer, brain and malignant melanoma, rectal cancer, prostate cancer, buccal cavity and pharynx cancer, stomach cancer, colon cancer, and leukemia. Your Committees believe that providing sufficient medical coverage for firefighters recognizes the inherent occupational hazards that come with the job, ensures that firefighters receive proper medical treatment in a timely manner, and lessens the impact of emotional toil, financial burdens, and decreased quality of life on the families of firefighters diagnosed with cancer.

As affirmed by the records of votes of the members of your Committees on Labor and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2660 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Labor: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).
 Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Ruderman).

SCRep. 2307 (Joint) Labor and Commerce, Consumer Protection, and Health on S.B. No. 2375

The purpose and intent of this measure is to make housekeeping amendments to update statutory provisions relating to temporary disability insurance. Specifically, this measure:

- (1) Permits advanced practice registered nurses to certify an employee's disability;
- (2) Increases the penalty for employers who fail to submit timely wage and employment information;
- (3) Permits filing of an appeal of a decision on temporary disability insurance at the various statewide offices of the Department of Labor and Industrial Relations (Department);
- (4) Allows the Department to send notices of hearings electronically or via first-class mail;
- (5) Permits notice of a hearing to be posted on the Department's webpage when notice cannot be delivered; and
- (6) Allows parties to a hearing to appear in person, by telephone, or by other communication device.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations, Hawai'i State Center for Nursing, ILWU Local 142, American Association of Nurse Practitioners, and three individuals.

Your Committees find that this housekeeping measure will update current processes and improve the efficiency of the temporary disability insurance program. Notably, this measure will allow advanced practice registered nurses to certify employee disabilities thereby giving employees additional provider choices, especially employees residing in rural areas; increase the penalty for employers

who fail to submit timely wage and employment information from \$10 to \$250 per request to encourage employers to provide prompt information, thus allowing employees to receive prompt benefit payments; allow the Department to hold hearings in locations other than the county office where the employee was employed or resided at the time of the disability, enabling hearings to be held for employees who may be permanently or temporarily living in another county for medical treatment or other reasons; and allow the Department to hold hearings not only in person but also via telephone or by other communication devices to accommodate parties that are not located on the same island and reduce travel time and costs for the parties.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Labor and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2375, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2375, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Labor: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Ruderman).

SCRep. 2308 (Joint) Labor and Commerce, Consumer Protection, and Health on S.B. No. 2358

The purpose and intent of this measure is to:

- (1) Limit physician-dispensed prescription drugs in workers' compensation claims to the first thirty days from the work injury date; and
- (2) Lower the reimbursement rates of prescription drugs in workers' compensation claims.

Your Committees received testimony in support of this measure from the City and County of Honolulu, Department of Human Resources; Hawaii Insurers Council; National Association of Mutual Insurance Companies; Property Casualty Insurers Association of America; ILWU Local 142; and Chamber of Commerce Hawaii. Your Committees received testimony in opposition to this measure from Automated HealthCare Solutions, Maui Pain Clinic, a petition signed by ninety members of the Work Injury Medical Association of Hawaii, and four individuals. Your Committees received comments on this measure from the Department of Labor and Industrial Relations.

Your Committees find that Hawaii has the highest reimbursement rate in the nation for brand name and generic drugs at forty percent over average wholesale price. Although other state reimbursement rates range widely among the thirty-seven states that reimburse prescription drugs, the national average reimbursement rate is three percent below average wholesale price, plus a \$4.32 dispensing fee, for brand name drugs, and four percent below average wholesale price, plus a \$4.94 dispensing fee, for generic drugs. Your Committees find that this measure brings Hawaii closer to the rest of the nation in terms of its dispensing policies and reimbursement rates for prescription drugs in the workers' compensation system.

Your Committees acknowledge that this measure is a work in progress and hope that as it moves through the legislative process that the Department of Labor and Industrial Relations and advocates and proponents of this measure can discuss possible amendments for recommendation to your Committee on Ways and Means.

Your Committees have amended this measure by inserting an effective date of January 1, 2045, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Labor and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2358, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2358, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Labor: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Ruderman).

SCRep. 2309 (Joint) Economic Development, Tourism, and Technology and Transportation and Energy on S.B. No. 3056

The purpose and intent of this measure is to appropriate funds to the Natural Energy Laboratory of Hawaii Authority to enable the authority to continue its efforts in producing hydroelectric power for the State.

Your Committees received testimony in support of this measure from the Natural Energy Laboratory of Hawaii Authority; Renewable Ocean Energy, Inc.; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that electricity rates in Hawaii are among the highest in the nation and that there is a need to research different viable sources of energy to reduce electricity costs for residents of Hawaii. Your Committees further find that hydroelectricity is the lowest-cost form of renewable energy. The Natural Energy Laboratory of Hawaii Authority has received a proposal from a private organization with a patent-pending device that harnesses one of Hawaii's most plentiful resources, ocean water, to create energy. The patent-pending device is expected to reduce the cost of electricity and has the potential to help Hawaii achieve its goal of running on one hundred percent renewable energy years before the target date. Therefore, your Committees find it important to support the initiative to harness the power of ocean water and explore hydroelectricity more in depth.

Your Committees have amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3056,

as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3056, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Taniguchi).

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (Inouye, Shimabukuro).

SCRep. 2310 Economic Development, Tourism, and Technology on S.B. No. 2903

The purpose and intent of this measure is to appropriate funds to the Hawaii Technology Development Corporation for continuance and administration of the manufacturing development program.

Your Committee received testimony in support of this measure from the Hawaii Technology Development Corporation; Hawaii Food Industry Association; Makai Ocean Engineering, Inc.; Lanikai Brewing Company; Honolulu Beerworks; KYD, Inc.; Hyperspective; Kohola Brewery; First Commercial Kitchen, LLC; Maui Brewing Company; Hawaii Fish Company; Maui Soda and Ice Works, Ltd. dba Roselani Ice Cream; Kauai Island Brewing Company; The Tea Chest; Waikiki Brewing Company; DewPoint System, LLC; Hawaii Farm Bureau; Hawaiian Craft Brewers Guild; Maui Wine, Ltd.; Big Island Brewhaus; KYD, Inc. dba: K. Yamada Distributors; Meadow Gold Dairies; Taps and Apps, LLC; Diamond Bakery; Chamber of Commerce Hawaii; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Mana Up Labs, LLC; and four individuals.

Your Committee finds that the manufacturing development program of the Hawaii Technology Development Corporation has been assisting and supporting local businesses to effectively grow, develop, and compete in a highly globalized commercial and e-commerce environment. Your Committee recognizes that given the location of Hawaii, businesses located here face an additional challenge of high costs of energy and shipping. Therefore, the continued support of the manufacturing sector in Hawaii benefits the economy by creating more jobs and allowing businesses to strive in a highly competitive market.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2903 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2311 Economic Development, Tourism, and Technology on S.B. No. 2904

The purpose and intent of this measure is to appropriate funds to the Hawaii Technology Development Corporation for continuance of the Small Business Innovation Research Program.

Your Committee received testimony in support of this measure from the Hawaii Technology Development Corporation; Hawaii Food Industry Association; Experiad; Makai Ocean Engineering, Inc.; Oceanit Laboratories, Inc.; Navatek; Premier Solutions Hawaii, LLC; AlgorithmHub, Inc.; Kampachi Farms, LLC; MonsterWorks; HNu Photonics, LLC; NetEnterprise; RevaComm; Ag Matters; Nalu Scientific, LLC; Hawaii Evolutionary Development, LLC; DewPoint System, LLC; Spectrum Photonics; Studio Kinecton, Inc.; Jun Innovations; Smart Yields; Referentia Systems Incorporated; Tea Hawaii and Company; Akabotics, LLC; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Chamber of Commerce Hawaii; Hawaii Biotech, Inc.; and five individuals.

Your Committee finds that since 1989, the Hawaii Technology Development Corporation has been providing phase I matching grants to companies that were awarded grants and began awarding phase II and phase III grants in fiscal year 2015-2016. Your Committee further finds that with the current amount of funds that is available this year, only five out of nine companies were funded. Every year, the Development Corporation sees more qualified applicants but not enough funding. Since the implementation of the phase II and phase III program, none of the applicants have received the full eligible amount. Your Committee finds that the support that the Small Business Innovation Research Program provides to businesses in Hawaii is imperative to creating more jobs and encouraging innovation in Hawaii and believes that it should be sufficiently funded to continue its efforts for small businesses to strive.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2904 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2312 Economic Development, Tourism, and Technology on S.B. No. 3000

The purpose and intent of this measure is to:

- (1) Establish the research and development program in the Hawaii Technology Development Corporation;
- (2) Establish the research and development special fund; and
- (3) Appropriate funds for the research and development program.

Your Committee received testimony in support of this measure from the Hawaii Technology Development Corporation; Navatek; Makai Ocean Engineering, Inc.; Chamber of Commerce Hawaii; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and six individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that research and development is vital to the future growth of Hawaii's economy. Supporting innovation in Hawaii will encourage innovative ideas from the local community. It is important for the State to create an environment that

encourages new ideas that aim to advance Hawaii in research and development, and doing so will create more jobs and encourage highly skilled workers to remain in Hawaii.

Your Committee has amended this measure, as suggested by the Hawaii Technology Development Corporation, by:

- (1) Clarifying that merely submitting proof of federal research and development tax credits received will not entitle a business to receive funding under the research and development program but will make the business eligible for funding;
- (2) Requiring the Hawaii Technology Development Corporation to analyze each application for the program to determine whether the item to be undertaken will be economically viable and beneficial to the State; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3000, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3000, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Galuteria).

SCRep. 2313 Economic Development, Tourism, and Technology on S.B. No. 2902

The purpose and intent of this measure is to appropriate funds, subject to a matching requirement, for grants to participants of software application challenges in order for proofs of concept created during the challenges to be developed into prototypes suitable for state and county government.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Office of Enterprise Technology Services, Hawaii Technology Development Corporation, Makai Ocean Engineering, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Transform Hawai'i Government, and one individual.

Your Committee finds that supporting the local technology community in Hawaii has the potential to assist the state and county governments to obtain necessary technology to more efficiently and effectively carry out their duties to the public. The Hawaii Annual Code Challenge creates the opportunity for the State to work with the local technology community to modernize the State and develop innovative tools and applications to enhance services to the public. Your Committee strongly believes that technology will continue to advance and create opportunities to transform government services.

Your Committee has amended this measure, as suggested by the Hawaii Technology Development Corporation, by:

- (1) Allowing federal and county sources as matching funds; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2902, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2902, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Galuteria).

SCRep. 2314 Commerce, Consumer Protection, and Health on S.B. No. 2811

The purpose and intent of this measure is to update chapter 329, Hawaii Revised Statutes, the Uniform Controlled Substances Act, to be consistent with federal law, by allowing properly registered practitioners to prescribe drugs including buprenorphine and naloxone to patients undergoing medically managed withdrawal.

Your Committee received testimony in support of this measure from the Department of Health and Department of Public Safety.

Your Committee finds that this measure will bring Hawaii law into conformity with federal law, and permit registered medical practitioners to prescribe drugs including buprenorphine and naloxone for purposes of "medically managed withdrawal", also known as "detoxification treatment" and "maintenance treatment". Your Committee finds that this measure will not limit the use of these drugs for medical purposes. Your Committee also finds that this measure will assist in enforcement of drug laws and prevention of drug abuse and diversion in the State.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2811, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2811, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Nishihara).

SCRep. 2315 Economic Development, Tourism, and Technology on S.B. No. 2705

The purpose and intent of this measure is to:

- (1) Authorize the establishment of five state public-private partnership coordinator positions within the Department of Business, Economic Development, and Tourism to manage certain public-private partnerships entered into by the State;
- (2) Establish the Office of Public-Private Partnership within the Department of Business, Economic Development, and Tourism; and
- (3) Appropriate funds to fulfill the purposes of this measure.

Your Committee received testimony in support of this measure from the State Procurement Office, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Stadium Authority, and Chamber of Commerce Hawaii. Your Committee received comments on this measure from the Department of Accounting and General Services; Department of Business, Economic Development, and Tourism; and Hawaii Housing Finance and Development Corporation.

Your Committee finds that public-private partnerships are a creative tool for the State to contract and finance state projects with private organizations, creating a vast amount of opportunities to grow and expand government services. Encouraging collaboration between the public and private sectors will allow the State to more efficiently and effectively utilize public resources.

Your Committee further finds that currently there is no entity to coordinate and collaborate on public-private partnerships or to facilitate potential projects between the public and private sectors. Therefore, your Committee believes that establishing an Office of Public-Private Partnership will allow for better organization and coordination of public-private partnerships.

Your Committee has amended this measure by:

- (1) Placing the Office of Public-Private Partnership under the Department of Accounting and General Services instead of the Department of Business, Economic Development, and Tourism;
- (2) Requiring all state public-private partnership proposals to be reviewed and approved by the Department of Budget and Finance, Department of Accounting and General Services, and Department of the Attorney General;
- (3) Establishing a cap of sixty-five years on terms of partnerships entered into by the Office;
- (4) Exempting public-private partnerships entered into by the Office from chapter 103D, Hawaii Revised Statutes, State Procurement Code; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2705, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2705, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Taniguchi). Noes, none. Excused, 2 (Galuteria, Thielen).

SCRep. 2316 Economic Development, Tourism, and Technology on S.B. No. 2678

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including goal seventeen, strengthening implementation, of the seventeen United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Agriculture, Airports Concessionaries Committee, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii. Your Committee received comments on this measure from the Office of Planning.

Your Committee finds that Hawaii has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that a priority of the Senate for the Regular Session of 2018 is to adopt the United Nations' Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal seventeen, strengthening implementation, into state law.

Your Committee has amended this measure by:

- (1) Codifying Sustainable Development Goal seventeen into chapter 226, Hawaii Revised Statutes, instead of chapter 344, Hawaii Revised Statutes;
- (2) Inserting language to additionally codify the State of Hawaii's 2050 Sustainability Plan goals, which were established in 2008 to express the sustainable future of Hawaii; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2678, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2678, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2317 Economic Development, Tourism, and Technology on S.B. No. 2670

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including goal nine, relating to industry, innovation, and infrastructure, of the seventeen United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Agriculture, Airport Concessionaries Committee, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Office of Planning.

Your Committee finds that Hawaii has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that a priority of the Senate for the Regular Session of 2018 is to adopt the United Nations' Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal nine, industry, innovation, and infrastructure, into state law.

Your Committee has amended this measure by:

- (1) Codifying Sustainable Development Goal nine into chapter 226, Hawaii Revised Statutes, instead of chapter 344, Hawaii Revised Statutes;
- (2) Inserting language to additionally codify the State of Hawaii's 2050 Sustainability Plan goals, which were established in 2008 to express the sustainable future of Hawaii; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2670, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2670, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Thielen).

SCRep. 2318 (Joint) Economic Development, Tourism, and Technology and Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy on S.B. No. 3086

The purpose and intent of this measure is to require the Department of Business, Economic Development, and Tourism to partner with the United States Department of Energy to establish an Office of Science National Laboratory in the Kalaeloa community development district.

Your Committees received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Hawaii Community Development Authority; and one individual.

Your Committees find there is a need to research revolutionary energy breakthroughs and that to achieve the goal of one hundred percent renewable energy, the State requires necessary research facilities to support the development of new means of producing energy. Your Committees recognize that the United States Department of Energy national science laboratories provide the nation with strategic scientific and technological capabilities. The national science laboratories of the United States Department of Energy aim to:

- (1) Execute long-term government scientific and technological missions, often with complex security, safety, project management, or other operation changes;
- (2) Develop unique, often multidisciplinary, scientific capabilities beyond the scope of academic and industrial institutions, to benefit the nation's researchers and national strategic priorities; and
- (3) Develop and sustain critical scientific and technical capabilities to which the government requires assured access.

Your Committees find that establishing an Office of Science National Laboratories in Hawaii will support Hawaii's goal of working toward one hundred percent renewable energy for the entire State.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology, Public Safety, Intergovernmental, and Military Affairs, and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3086 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Taniguchi).
Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Ihara).
Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (Inouye, Shimabukuro).

SCRep. 2319 (Joint) Economic Development, Tourism, and Technology and Water and Land and Agriculture and Environment on S.B. No. 2972

The purpose and intent of this measure is to:

- (1) Allocate twenty-five percent of revenues collected from commercial properties within the Banyan Drive redevelopment area to the Banyan Drive Hawai'i Redevelopment Agency; and

- (2) Appropriate funds from the special land and development fund to assist the Banyan Drive Hawai'i Redevelopment Agency in conducting the environmental impact studies or other studies necessary for its redevelopment plan for the Banyan Drive redevelopment area.

Your Committees received testimony in support of this measure from the County of Hawai'i Planning Department; Harry Kim, Mayor of the County of Hawai'i; Hawai'i Association of REALTORS; International Longshore and Warehouse Union Local 142; and one individual. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that Banyan Drive is underutilized and in disrepair, regardless of being the center of tourism for East Hawai'i. The Banyan Drive Hawai'i Redevelopment Agency has been working toward the redevelopment of the properties within Banyan Drive. Given that the redevelopment areas have been defined and a master plan in line with the community's values has been created, your Committees believe that the next step is to provide funding to conduct environmental impact studies and other studies required pursuant to chapter 343, Hawaii Revised Statutes. Your Committees further find that the redevelopment area consists almost entirely of state land and that working with the County of Hawai'i to redevelop the center of tourism in East Hawai'i will significantly benefit the State and County of Hawai'i.

Your Committees have amended this measure by:

- (1) Deleting language that would have authorized the special land and development fund to be used by a redevelopment agency of a county to conduct environmental impact studies or other studies to ensure that monies appropriated is purely for the redevelopment of Banyan Drive;
- (2) Reducing the percentage required to be allocated to the Banyan Drive Hawai'i Redevelopment Agency from the revenues collected from commercial properties within the Banyan Drive redevelopment area from twenty-five percent to ten percent; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology, Water and Land, and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2972, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2972, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Taniguchi).

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2320 (Joint) Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy on S.B. No. 2738

The purpose and intent of this measure is to require county police departments and the Department of Transportation to sanitize unclaimed electronic devices, in accordance with recognized standards and guidelines, before providing the unclaimed property to finders or disposing of the property by public auction or other means.

Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Department of Transportation, Office of Enterprise Technology Services, and Honolulu Police Department.

Your Committees find that protecting individuals' sensitive personal information is important for maintaining public safety. The many personal electronic devices that individuals use contain copious amounts of a device owner's personal information. When these devices are lost, the personal information contained therein is potentially accessible by others, thereby putting the owner at risk. Under existing law, some local and state agencies are required to return unclaimed property to the finder of that property after forty-five days. However, existing laws do not require the applicable local or state agency to take steps to protect any personal information contained within found electronic devices before returning them to a finder or disposing of the devices. Therefore, your Committees find that state law needs to be updated to keep pace with technology and reflect the need to protect personal information on unclaimed electronic devices.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2738 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Ihara).

Transportation and Energy: Ayes, 5. Noes, none. Excused, none.

SCRep. 2321 (Joint) Public Safety, Intergovernmental, and Military Affairs and Higher Education on S.B. No. 2622

The purpose and intent of this measure is to require compliance with the Military Selective Service Act in order to enroll in a state-supported post-secondary educational institution, qualify for state financial assistance for post-secondary education, and be eligible for state or county employment or service, with certain exceptions.

Your Committees received testimony in support of this measure from the United States Selective Service System Hawaii and one individual. Your Committees received testimony in opposition to this measure from the University of Hawai'i; ACLU of Hawai'i; Libertarian Party of Hawai'i; Hawai'i Civil Rights Commission; Ho'omanapono Political Action Committee; Ho'omana Pono, LLC; and one individual. Your Committees received comments on this measure from the Department of the Attorney General.

Your Committees find that compliance with the Military Selective Service Act is essential for the continued existence of a military force for the protection and security of all citizens. However, many of those who are required to register for selective service do not. Given the importance of compliance with the Military Selective Service Act, it is necessary to put in place measures that ensure and increase compliance with the Act. To that end, the federal government prohibits non-compliant persons from receiving federal student financial assistance or from being employed in a government job. Accordingly, this measure adopts similar measures applicable to state financial assistance for post-secondary education, and eligibility for state or county employment or service.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2622 and recommend that it pass Second Reading and be referred to your Committee on Labor.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Ihara, Wakai).

Higher Education: Ayes, 4. Noes, none. Excused, 1 (Kidani).

SCRep. 2322 (Joint) Public Safety, Intergovernmental, and Military Affairs and Economic Development, Tourism, and Technology on S.B. No. 2703

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist SpinLaunch Inc., with the financing of the planning, design, construction, equipping, acquisition of land, and other tangible assets necessary for a satellite launch system.

Your Committees received testimony in support of this measure from the Pacific International Space Center for Exploration Systems, SpinLaunch Inc., and one individual. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that support for the development of a small satellite launch system is in the public interest. SpinLaunch Inc., proposes to construct an electrical small satellite launch system on the island of Hawaii. Your Committees find that this proposed project will produce numerous benefits, including generating millions of dollars in construction project spending; creating long-term technical jobs relating to the operation of the launch facility; helping the State, counties, and federal government to meet their goals and mandates for expanding access to space; and contributing to space exploration, observation, and transportation. Your Committees find that the issuance of special purpose revenue bonds to assist SpinLaunch Inc., in constructing a portion of its electrical small satellite launch system will make the development of such a system more economically feasible.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Economic Development, Tourism, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2703 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

SCRep. 2323 (Joint) Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy on S.B. No. 2479

The purpose and intent of this measure is to require the counties to remove and dispose of abandoned vehicles on public roads within ten business days.

Your Committees received testimony in support of this measure from the Maui Police Department; Ho'omanapono Political Action Committee; Ho'omana Pono, LLC; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Hawaii County Councilmember Eileen O'Hara; and eleven individuals. Your Committees received testimony in opposition to this measure from the Department of Customer Services for the City and County of Honolulu and the County of Maui Department of Environmental Management Abandoned Vehicles Administrator.

Your Committees find that abandoned vehicles on public roads are a widespread environmental disaster that can impact human health and safety. Recently, the incidence of abandoned vehicles on public roads has increased significantly. Indeed, testimony presented to your Committees by the Department of Customer Services for the City and County of Honolulu indicates that last year alone their department investigated 28,263 abandoned vehicle complaints and took action on 9,668 unwanted vehicles left on public property. Moreover, abandoned vehicles are often left sitting for extended periods before they are removed. Your Committees find that abandoned vehicles on public roads need to be removed in a timely manner to prevent and reduce public health and safety dangers.

Your Committees also recognize the concerns raised by the Department of Customer Services of the City and County of Honolulu relating to requirements that may impede the county's ability to deal with abandoned vehicles on public roads. Specifically, your Committees note needed changes to statutory requirements for the issuance of written notice to owners of abandoned vehicles and the disposal of abandoned vehicles via public auction. Your Committees find that these requirements are unnecessarily burdensome considering that notice is already attached to an abandoned vehicle and the counties hold regular public auctions of abandoned vehicles. In addition, your Committees note that the statutory conditions that define "derelict vehicles" should be updated to provide the counties with greater flexibility to rapidly dispose of these types of vehicles.

Accordingly, your Committees have amended this measure by:

- (1) Repealing the requirement that the counties dispose of abandoned vehicles within ten business days of abandonment;
- (2) Inserting language to specify that the requirement to provide written notice to the registered owner of an abandoned vehicle under section 290-2, Hawaii Revised Statutes (HRS), applies only to those abandoned vehicles that have been reported stolen;
- (3) Inserting language to amend the conditions that constitute a derelict vehicle under section 290-8, HRS;

- (4) Repealing section 290-3, HRS, requiring the disposal of abandoned vehicles by public auction; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2479, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2479, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Ihara).

Transportation and Energy: Ayes, 5. Noes, none. Excused, none.

SCRep. 2324 Water and Land on S.B. No. 2635

The purpose and intent of this measure is to:

- (1) Require owners of vessels that are required to be registered with the State to obtain vessel insurance;
- (2) Specify the types of insurance coverage required and exempt certain vessels from the mandatory insurance requirement; and
- (3) Authorize the Chairperson of the Board of Land and Natural Resources to adopt administrative rules concerning mandatory vessel insurance.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and Hawaiian Civic Club of Honolulu. Your Committee received testimony in opposition to this measure from three individuals.

Your Committee finds that in 2009, the Department of Land and Natural Resources began requiring mandatory insurance coverage as a condition of obtaining a mooring permit for state small boat harbors. According to the Department, although the total number of uninsured vessels has decreased, there are still a significant number of vessels that are uninsured because the owners of these vessels do not hold a mooring permit for a state small boat harbor. Despite the lack of vessel insurance coverage, these uninsured vessels are still allowed to use launch ramps to access ocean waters and operate in or on waters of the State. This measure addresses the associated costs for the removal of an uninsured vessel in the event of a boating accident or grounding, by requiring vessel insurance.

Your Committee has amended this measure by:

- (1) Clarifying that the new section relating to mandatory vessel insurance is to be added to part II of chapter 200, Hawaii Revised Statutes, relating to boating law; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2635, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2635, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2325 Water and Land on S.B. No. 2974

The purpose and intent of this measure is to codify the Uniform Certificate of Title for Vessels Act to:

- (1) Require certain vessel owners to apply for a certificate of title within twenty days of becoming an owner or within twenty days of establishing principal use of the vessel in waters of the State; and
- (2) Establish what information is required to be included in an application for a certificate of title; how to deal with transfer of vessel ownership and title; rights of a secured party; and rights of a purchaser other than a secured party.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Hawaiian Civic Club of Honolulu, Boat History Report, Commission to Promote Uniform Legislation, National Marine Manufacturers Association, and Boat Owners Association of The United States. Your Committee received comments on this measure from The Civil Beat Law Center for the Public Interest.

Your Committee finds that vessels under the jurisdiction of the Department of Land and Natural Resources that do not have a United States Coast Guard documentation number are only required to obtain a certificate of number with the Department's Division of Boating and Ocean Resources' Vessel Registration Office. However, this certificate of number does not ensure that a vessel is not stolen because the Vessel Registration Office cannot verify ownership of a vessel other than by documents provided by the registrant. Thus, the absence of a vessel titling law can lead to extensive fraud. By codifying the Uniform Certificate of Title for Vessels Act, this measure will reduce the number of stolen vessels being fraudulently registered with the State and help the Vessel Registration Office quickly verify the owner of a vessel, which in turn will potentially decrease the processing of and wait times for vessel transfers.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of Land and Natural Resources that specifies any vessel owners who have a valid certificate of number with the Department of Land and Natural Resources as of the effective date of this measure, will not be required to immediately obtain a certificate of title, but will be required to title the vessel at the time of renewal; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2974, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2974, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 2326 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2591

The purpose and intent of this measure is to require and appropriate funds for the Executive Office on Aging to annually update the State Plan on Alzheimer's Disease and Related Dementias, including a detailed work plan with specific tasks and timelines for each update, and to provide this update in a report to the Legislature and the Governor.

Your Committees received testimony in support of this measure from four individuals. Your Committees received comments on this measure from the Department of Health Executive Office on Aging.

Your Committees find that Alzheimer's disease is the sixth leading cause of death in the United States. An estimated twenty-seven thousand individuals in Hawaii live with Alzheimer's disease, and this number is expected to grow. Accordingly, the Executive Office on Aging issued the State Plan on Alzheimer's Disease and Related Dementias in 2013. However, the Executive Office on Aging has not updated the State Plan since it was issued. Your Committees find that a regularly updated State Plan is necessary for the State to properly prepare for the expected increase in individuals with Alzheimer's disease and related dementias.

Although regular updates to the State Plan are important, your Committees recognize the burden that annual reporting may impose on the Executive Office on Aging. As such, your Committees find that updating the State Plan on Alzheimer's Disease and Related Dementias once every other year will suffice; provided that the Executive Office on Aging includes in its annual report to the Legislature an update on the progress being made toward accomplishing the goals of the State Plan. Your Committees find that this will reduce the burden on the Executive Office on Aging while still accomplishing the purpose of this measure.

Your Committees have amended this measure by:

- (1) Requiring that the Executive Office on Aging amend the State Plan on Alzheimer's Disease and Related Dementias once every biennium, rather than every year;
- (2) Requiring that the Executive Office on Aging provide an update on progress made toward the goals of the State Plan on Alzheimer's Disease and Related Dementias as part of its annual report to the Legislature, rather than as a separate report to the Legislature and Governor;
- (3) Removing the appropriation amount of \$175,000 and leaving the amount blank; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2591, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2591, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).
Human Services: Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2327 (Joint) Transportation and Energy and Commerce, Consumer Protection, and Health on S.B. No. 2915

The purpose and intent of this measure is to protect Hawaii consumers from persons who knowingly manufacture, import, sell, or install counterfeit airbag products by prohibiting the manufacturing, importing, selling, or installing of counterfeit airbags.

Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs; Automotive Anti-Counterfeiting Council, Inc.; and two individuals.

Your Committees find that a motor vehicle's supplemental restraint system is a sophisticated network of airbags and sensors that enhance passenger safety. Counterfeit airbags are a serious public safety concern, as they can result in severe injuries or death. Your Committees conclude that anyone who installs a counterfeit airbag in a motor vehicle places the occupants at risk for severe injury or death, and criminal sanctions should be established to deter anyone from selling or installing counterfeit airbags.

Your Committees have amended this measure by:

- (1) Including language on the recommendation of the Department of Commerce and Consumer Affairs to make each violation cumulative; and
- (2) Making technical, nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2915, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2915, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.
Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).
Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 2328 Transportation and Energy on S.B. No. 2326

The purpose and intent of this measure is to ensure individuals who have failed to pay for parking because of an inoperable ticket issuing machine are not unfairly punished by prohibiting a towing company from towing a vehicle that has failed to pay for parking if the ticket issuing machine is inoperable.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and one individual.

Your Committee finds that having a car towed can be stressful and costly, and having a car towed even though the driver is not at fault can be especially burdensome. Your Committee concludes that this measure enhances consumer protection by ensuring that drivers who have not paid for parking due to an inoperable ticketing machine will not have their cars towed.

However, your Committee finds that while protecting drivers from towing when the driver cannot pay due to an inoperable ticket issuing machine can reduce stress, drivers might still feel stressed by not knowing what to do when the ticket issuing machine is inoperable. Your Committee believes that providing clear instructions is important in maintaining consumer protection.

Accordingly, your Committee has amended this measure to:

- (1) Require owners or operators of parking ticket issuing machines to list a customer service number on a visible, unobstructed location on the ticket issuing machine;
- (2) Require a client to call the customer service number listed on an inoperable ticket issuing machine within two hours of recognizing that the ticket issuing machine is inoperable to avoid being subject to towing;
- (3) Require an owner or operator to respond within ten minutes of the initial call by a client that the ticket issuing machine is inoperable and to send an attendant to service the ticket issuing machine within thirty minutes; and
- (4) Add a definition of "client".

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2326, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2326, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2329 Transportation and Energy on S.B. No. 2935

The purpose and intent of this measure is to require the Department of Commerce and Consumer Affairs to adopt state appliance efficiency standards that are modeled after California's efficiency standards.

Your Committee received testimony in support of this measure from Hawaii Energy, Natural Resources Defense Council, Blue Planet Foundation, and two individuals. Your Committee received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs and Association of Home Appliance Manufacturers.

Your Committee finds that energy efficiency standards have been adopted by a number of states. These energy efficiency standards can help lower energy bills for families. However, manufacturers might unload less efficient appliances to states that do not have energy efficiency standards, increasing utility bills for residents of these states by a considerable amount – in Hawaii, residents risk losing millions of dollars in electricity costs. By adopting energy efficiency standards, Hawaii can avoid becoming a "dumping ground" of older equipment and save its residents millions of dollars over time.

Your Committee received testimony from the Department of Commerce and Consumer Affairs expressing concern about the Department's ability to oversee the program. Your Committee also received testimony indicating that some appliances listed in this measure are not in California's efficiency standards.

Thus, your Committee has amended this measure by:

- (1) Changing the agency adopting and overseeing the appliance efficiency standards from the Department of Commerce and Consumer Affairs to the Hawaii State Energy Office;
- (2) Removing portable air purifiers from the list of appliances that must meet appliance efficiency standards; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2935, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2935, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2330 Transportation and Energy on S.B. No. 2019

The purpose and intent of this measure is to establish a biofuel content requirement of no less than ten percent biofuel that is produced in the State by volume.

Your Committee received testimony in support of this measure from the Hawaii Bioeconomy Trade Organization, Pacific Biodiesel, and two individuals. Your Committee received testimony in opposition to this measure from Hawaii Petroleum. Your Committee

received comments on this measure from the Department of Business, Economic Development, and Tourism; and Hawaii Energy Policy Forum.

Your Committee finds that biofuels are beneficial to the State, allowing the State to be more energy independent and helping the State achieve the Hawaii Clean Energy Initiative's goal of one hundred percent clean energy by 2045.

However, your Committee finds that the requirement of locally produced biofuel could run afoul of the federal Interstate Commerce Clause and that there might be disagreement over the definition of "competitively-priced". Your Committee also notes concerns about the implementation of a biofuel mandate.

Accordingly, your Committee has amended this measure by:

- (1) Removing the requirement that the biofuel be produced in Hawaii from agricultural products grown in Hawaii;
- (2) Removing the requirement that there not be sufficient quantities of competitively-priced biofuels before the Director of Business, Economic Development, and Tourism can authorize the sale of fuel that does not meet this measure's requirements;
- (3) Removing the requirement that rules be adopted and take effect no later than ninety days after an unspecified amount of biofuel is produced in Hawaii;
- (4) Removing the requirement that distributors report on the price of biofuels; and
- (5) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2019, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2019, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2331 Transportation and Energy on S.B. No. 2099

The purpose and intent of this measure is to change the licensing requirement for the operation of autocycles to align with the intent of the legislation that created the "autocycle" category.

Your Committee received testimony in support of this measure from the Department of Transportation; Polaris Industries, Inc.; and two individuals. Your Committee received comments on this measure from Arcimoto, Inc.

Your Committee finds that autocycles provide an environmentally-friendly and space-saving alternative to larger cars, and that creating the "autocycle" category in the motor vehicle code is one step to reduce traffic congestion and fossil fuel usage in Hawaii. However, your Committee notes that the legislation that created the autocycle category had an error in its language, and housekeeping measures are needed to align the legislative intent and the driver's licensing requirement.

Your Committee has amended this measure by:

- (1) Amending the definition of "autocycles" to better accommodate various models of autocycles available in the autocycle industry; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2099, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2099, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2332 Transportation and Energy on S.B. No. 2955

The purpose and intent of this measure is to require rental motor vehicle lessors operating in Hawaii to incorporate zero-emission vehicles into the lessors' fleets.

Your Committee received testimony in support of this measure from Blue Planet Foundation; 350Hawaii.org; We are One, Inc.; Tell Tale Eye; and eighteen individuals. Your Committee received testimony in opposition to this measure from Enterprise Holdings.

Your Committee finds that the State is committed to its goal of clean energy and transportation. Your Committee concludes that this is only possible if the rental motor vehicle industry, which is responsible for a significant amount of carbon emissions in this State, is working toward that goal as well. Your Committee also finds that requiring motor vehicle lessors to include more zero-emission vehicles in their fleet will increase the number of zero-emission vehicles owned by residents, as lessors sell their vehicles after twelve to eighteen months.

However, your Committee believes that the schedule for when lessors must incorporate zero-emission vehicles as a certain percentage of their fleet is overly ambitious.

In addition, during the hearing, your Committee heard testimony that it is unclear whether Hawaii has the infrastructure in place to accommodate such a large increase in zero-emission vehicles. Specifically, if eighty-five percent of rental vehicle customers are tourist, there is a question about whether the airport, hotels, and other tourist destinations will have enough charging stations to handle the influx of these vehicles on the road.

Your Committee is concerned that without proper infrastructure, people who rent zero-emission vehicles will be severely limited in their ability to drive. As this measure moves through the legislative process, your Committee requests that your Committee on Commerce, Consumer Protection, and Health examine the issue of whether the State has the necessary infrastructure for the influx zero-efficiency vehicles required by this measure and to consider further extending the required dates should more time be required to establish the necessary infrastructure.

Accordingly, your Committee has amended this measure by extending the dates for when lessors must incorporate the benchmarks of zero-emission vehicles by five years each.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2955, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2955, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2333 Transportation and Energy on S.B. No. 2826

The purpose and intent of this measure is to expand the definition of “drug” in chapter 291E, Hawaii Revised Statutes, to include any substance that can impair the ability of a person to operate a vehicle safely, in order to allow law enforcement to quickly adapt and prosecute offenders who are using new emerging drugs that have not been added to the controlled substance schedules at the time of the offense.

Your Committee received testimony in support of this measure from the Department of Transportation; Honolulu Police Department; Department of the Prosecuting Attorney, County of Maui; Mothers Against Drunk Driving, Hawaii Chapter; Hawaii Strategic Highway Safety Plan; and one individual. Your Committee received comments on this measure from the Consumer Healthcare Products Association.

Your Committee finds that even though some drivers might be under the influence of an intoxicant while driving, thereby creating a dangerous situation on the roads, they might not be prosecuted if the driver is not under the influence of a “drug”, which is currently narrowly defined under the law. By generalizing the definition to include any substance that could impair the driver, prosecution of these individuals who endanger lives can proceed. This measure is particularly relevant as other measures have proposed removing marijuana, which makes up seventy percent of drug-related impaired driving convictions, from the controlled substance list.

However, your Committee notes that this measure, as currently written, could still lead to problems with interpretation.

Accordingly, your Committee has amended this measure by:

- (1) Further expanding the definition of “drug” to mean anything that impairs a person rather than any substance that, when taken into the human body, can impair the ability of a person to operate a vehicle; and
- (2) Making technical, nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2826, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2826, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2334 Transportation and Energy on S.B. No. 2668

The purpose and intent of this measure is to codify the State’s commitment to conservation and sustainability by including goal seven, affordable and clean energy, of the seventeen United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Transportation; Department of Business, Economic Development, and Tourism; Office of Planning; Hawaii Island Economic Development Board; Sierra Club of Hawaii; Airports Concessionaires Committee; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai’i; and three individuals

Your Committee finds that Hawai’i has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that the priority of the Senate for the Regular Session of 2018 is to adopt the United Nation’s Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal seven, affordable and clean energy, into state law.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2668 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2335 Transportation and Energy on S.B. No. 2183

The purpose and intent of this measure is to:

- (1) Establish responsibilities for shippers that receive fireworks;
- (2) Authorize the use of fireworks, by permit, for film and movie productions;
- (3) Authorize the testing, disposal, and destruction of illegal and unwanted fireworks by law enforcement; and
- (4) Correct the labeling dimensions of certain fireworks.

Your Committee received testimony in support of this measure from the Hawaii State Fire Council, Honolulu Fire Department, Kauai Fire Department, Hawaii Fire Department of the County of Hawaii, and one individual.

Your Committee finds that this measure would add another safeguard when fireworks are transported into and within the State by creating another avenue for fire departments to be notified of fireworks being transported. By requiring shippers to also notify fire departments, there is an increased chance for the fire departments to know if an unlicensed individual is attempting to transport fireworks into or within the State. Your Committee also finds that the two exceptions to the fireworks prohibitions, for movie productions and law enforcement, are both reasonable exceptions, and that the change in labeling dimensions is now consistent with nationally recognized standards.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2183 and recommends that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2336 (Joint) Water and Land and Economic Development, Tourism, and Technology and Agriculture and Environment on S.B. No. 2977

The purpose and intent of this measure is to require the Hawaii Climate Change Mitigation and Adaptation Commission to assess the effects of tourism on climate change and publish a report on its findings.

Your Committees received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaiian Civic Club of Honolulu, and one individual. Your Committees received comments on this measure from the Department of Land and Natural Resources and Office of Planning.

Your Committees find that the buildup of greenhouse gas emissions in the atmosphere is a serious problem. As a result, there is widespread agreement that the Paris Agreement under the United Nations Framework Convention on Climate Change will be insufficient to keep the global average temperature below two degrees centigrade, as human actions have warmed the planet to one degree centigrade over preindustrial levels. Therefore, immediate action is necessary to reduce the effect of climate change on present and future generations.

Your Committees further find that the primary revenue source for Hawaii is the visitor sector, which is composed of several industries, such as service, transportation, and retail trades. By requiring an assessment of the impact the tourism industry has on climate change, this measure will assist in developing initiatives to support the State's sustainability.

Your Committees note the comments submitted by the Department of Land and Natural Resources and Office of Planning that determining the effects of the tourism industry on climate change may be too broad to accurately analyze and report.

Accordingly, your Committees have amended this measure by:

- (1) Requiring the Hawaii Climate Change Mitigation and Adaptation Commission to analyze and categorize the data collected to determine the contribution, if any, that the tourism industry has on greenhouse gas emissions when it is reasonable and cost-effective to do so; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land, Economic Development, Tourism, and Technology, and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2977, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2977, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).
Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Taniguchi).
Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2337 (Joint) Housing and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2377

The purpose and intent of this measure is to require the counties to designate an agency to inform the public and hold a hearing when lands are proposed for sale and intended to be used for a purpose other than as proposed as part of a master plan for a community.

Your Committees received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and one individual. Your Committees received testimony in opposition to this measure from the Department of Planning and Permitting of the City and County of Honolulu.

Your Committees find that in master planned communities, sometimes developers fail to develop plots of land as originally planned. For example, in central Oahu, a section of land in a master planned community was originally designated to be a golf course, but the developer could not complete the project due to financial constraints and the land was sold and is currently being used as farm land.

Many residents were confused and frustrated, as there was no notification of the land being sold or the development plan being changed. By requiring a public hearing when changes in the master plan occur, this measure will provide the neighboring public an opportunity to be better informed of what is happening in their community.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2377, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2377, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 3. Noes, none. Excused, 2 (Green, Kahele).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2338 (Joint) Housing and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2417

The purpose and intent of this measure is to provide any residential housing project where one hundred percent of the units are affordable to households with income at or below one hundred forty percent of the median family income:

- (1) An exemption from any exactions or inclusionary zoning requirements imposed by the State or a county; and
- (2) Additional exemptions if the residential housing project is eligible to be developed by the Hawaii Housing Finance and Development Corporation pursuant to section 201H-38, Hawaii Revised Statutes.

Your Committees received testimony in support of this measure from the Building Industry Association-Hawaii, Chamber of Commerce Hawaii, and Hawai'i Association of REALTORS. Your Committees received testimony in opposition to this measure from the Department of Planning and Permitting of the City and County of Honolulu. Your Committees received comments on this measure from the Office of Planning.

Your Committees find that the State is experiencing a severe housing crisis. Various government studies confirm the need for upwards of 60,000 new housing units over the next ten years. However, there has been a lack of measurable progress at the county level to enact policies that will stimulate housing production to meet this projected demand. This measure will allow the private sector to increase the supply of workforce housing units priced for the average working family in Hawaii by reducing impediments for housing development projects.

Your Committees have amended this measure by:

- (1) Changing the eligible household income threshold from one hundred forty percent to eighty percent of the median family income;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2417, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2417, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 3. Noes, none. Excused, 2 (Green, Kahele).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4; Ayes with Reservations (Ihara). Noes, none. Excused, 1 (Wakai).

SCRep. 2339 (Joint) Housing and Human Services on S.B. No. 2872

The purpose and intent of this measure is to:

- (1) Establish a five-year Hale Kokua pilot project under the Hawaii Housing Finance and Development Corporation to reduce homelessness by incentivizing and assisting private homeowners who set aside existing dwelling units, or construct new or improve existing dwelling units, for rental by families and individuals classified as homeless under the project; and
- (2) Require the Hawaii Housing Finance and Development Corporation to prepare interim reports and a final report regarding the status of the Hale Kokua pilot project.

Your Committees received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from the Governor's Coordinator on Homelessness and Hawaii Housing Finance and Development Corporation.

Your Committees find that homelessness is an issue of public concern and should be regarded as one of the most significant social problems facing the State. This measure establishes a cooperative effort between the State, counties, and federal government to provide the community with the resources and incentives needed to help eliminate the condition of homelessness.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2872, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2872, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chairs on behalf of the Committees.
Housing: Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).
Human Services: Ayes, 3. Noes, none. Excused, 2 (Tokuda, Wakai).

SCRep. 2340 (Joint) Higher Education and Commerce, Consumer Protection, and Health on S.B. No. 3097

The purpose and intent of this measure is to require and appropriate funds for the University of Hawai'i to support research that will benefit the residents of Hawaii.

Prior to the hearing on this measure, your Committees posted and made available for public review a proposed S.D. 1, which deletes the contents of this measure and inserts language to appropriate funds to the University of Hawai'i at Hilo for research related to rat lungworm disease.

Your Committees received testimony in support of the proposed S.D. 1 from the Department of Land and Natural Resources, University of Hawai'i at Hilo, and one individual. Your Committees received comments on the proposed S.D. 1 from Hawai'i Farm Bureau.

Your Committees find that the Department of Health has reported over seventy cases of rat lungworm disease caused by *Angiostrongylus cantonensis* from 2001 to 2014. There were many more cases in 2017, including at least eleven on Hawai'i Island, six on Maui, and one on Oahu. The disease has claimed lives and caused crippling chronic disability. The cost of treatment for one severe case can exceed \$1,000,000.

Your Committees further find that although rat lungworm disease is recognized as a serious threat to human health and agriculture in Hawai'i, sufficient funding has not been available to support the broad level of education, research, and control activities needed to mitigate this threat.

Your Committees have amended this measure by adopting the proposed S.D. 1 and further amending the measure by specifying that the University of Hawai'i at Hilo conduct research related to the control, rather than eradication, and prevention of rat lungworm disease.

As affirmed by the records of votes of the members of your Committees on Higher Education and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3097, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3097, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Higher Education: Ayes, 4. Noes, none. Excused, 1 (Kidani).
Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2341 (Joint) Higher Education and Commerce, Consumer Protection, and Health on S.B. No. 2877

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and appropriate funds for the construction of the Hawai'i early phase cancer clinical trials program at the University of Hawai'i Cancer Center.

Your Committees received testimony in support of this measure from the University of Hawai'i, American Cancer Society Cancer Action Network, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and eight individuals.

Your Committees find that early phase clinical trials offer patients with cancer access to novel treatments to improve the quality and quantity of life, especially when having exhausted standard treatments. Because Hawai'i does not currently have an early phase clinical trial program, cancer patients living in Hawai'i must travel to the mainland or other locations, at significant personal expense, and be apart from their families and support systems for extended periods while undergoing treatment.

Your Committees further find that the University of Hawai'i Cancer Center has the goal to establish a program committed to bringing novel early phase trials to Hawai'i for the benefit of cancer patients throughout the State. The program will focus on phase I and other early phase cancer trials and complement drug discovery programs already in place within the Cancer Center. It is anticipated that the program operating costs will be covered by grants and clinical trial medical and pharmaceutical partners.

As affirmed by the records of votes of the members of your Committees on Higher Education and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2877 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Higher Education: Ayes, 4. Noes, none. Excused, 1 (Kidani).
Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2342 (Joint) Higher Education and Commerce, Consumer Protection, and Health on S.B. No. 2011

The purpose and intent of this measure is to allow and appropriate funds for the University of Hawai'i John A. Burns School of Medicine, with support from the Department of Health, to collect data from voluntary qualifying patients, maintain a database, and conduct research and development regarding the efficacy of medical cannabis use in the State and related health outcomes.

Your Committees received testimony in support of this measure from the University of Hawai'i, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and one individual. Your Committees received comments on this measure from the Department of Health.

Your Committees find that as Hawai'i expands its medical cannabis program, it is important that research and development on medical cannabis best practices continues, including the results and outcomes of its use among qualifying patients. The Department of Health is not currently collecting data on the usage, dosage, or results of medical cannabis use among qualifying patients. Such data is invaluable to continued medical research in understanding the benefits of medical cannabis treatment for various illnesses, ailments, diseases, injuries, and other medical issues. Therefore, data collection and research and development conducted by the University of Hawai'i John A. Burns School of Medicine, in conjunction with the Department of Health, on the results of medical cannabis treatment among qualifying patients would be of great value to the State in developing alternative strategies to treating various illnesses and ailments.

As affirmed by the records of votes of the members of your Committees on Higher Education and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2011 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education: Ayes, 4. Noes, none. Excused, 1 (Kidani).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2343 (Joint) Economic Development, Tourism, and Technology and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2885

The purpose and intent of this measure is to clarify the Small Business Regulatory Review Board's power to review proposed and amended state and county administrative rules, in addition to adopted rules, that impact small businesses.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Small Business Regulatory Review Board; Kamaile Academy Public Charter School; Page Marketing, Inc.; Hawaii Business League; Chamber of Commerce Hawaii; and one individual. Your Committees received comments on this measure from the Hawai'i Farm Bureau.

Your Committees find that there is a need to clarify the powers of the Small Business Regulatory Review Board in order to clearly define the purview of the Board to ensure that the small business community, state and county agencies, Hawaii business chambers, and trade organizations have a clear understanding of the Board's authority. Your Committees believe that this clarification will prevent any misunderstandings in the future.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2885 and recommend that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

SCRep. 2344 (Joint) Economic Development, Tourism, and Technology and Commerce, Consumer Protection, and Health on S.B. No. 2615

The purpose and intent of this measure is to:

- (1) Rename "transient accommodations brokers" as "transient accommodations intermediaries" and include within the definition certain persons who market transient accommodations through wholesale travel companies and booking platforms, thereby making these entities subject to the transient accommodations tax; and
- (2) Clarify that the transient accommodations tax liability shall be apportioned between an operator and transient accommodations intermediary with respect to that person's respective portion of the gross proceeds.

Your Committees received testimony in support of this measure from Council Chair Mike White, of the County of Maui; Robert Carroll, Councilmember of the County of Maui; and one individual. Your Committees received testimony in opposition to this measure from the Travel Technology Association and Expedia, Inc. Your Committees received comments on this measure from the Department of the Attorney General, Department of Taxation, and Tax Foundation of Hawaii.

Your Committees find that when the transient accommodations tax law was established, the law did not contemplate or account for the advancements in technology that currently present novel markets and means of engaging in the business of furnishing transient accommodations. Although the availability of transient accommodations has greatly benefitted many, it has also created a disparity in the tax treatment of certain entities involved in the furnishing of transient accommodations and has resulted in the State not collecting the full amount of taxes, like the transient accommodations tax, from certain parties.

Your Committees further find that it is an appropriate time to create parity between commissioned and noncommissioned transactions by imposing the transient accommodations tax on every party's share of proceeds received when transient accommodations are booked through an intermediary.

Your Committees received testimony indicating that this measure, as drafted, will impose the transient accommodations tax twice for commissioned transactions, once on the operator and a second time on the intermediary.

Therefore, your Committees have amended this measure, as suggested by the Department of Taxation, by:

- (1) Imposing the transient accommodations tax on intermediaries who arrange or book transient accommodations at noncommissioned negotiated contract rates;
- (2) Clarifying that other fees unrelated to transient accommodations are exempt from the definition of “gross rental” or “gross rental proceeds”;
- (3) Exempting from the definition of “gross rental” or “gross rental proceeds” the amount of transient accommodations taxes that are visibly passed on to the customer by an intermediary;
- (4) Requiring only noncommissioned negotiated contract rates to obtain a certificate of registration and requiring the intermediaries to pay a one-time fee of \$15;
- (5) Including travel agencies within the definition of transient accommodations intermediary and making conforming amendments;
- (6) Making this measure applicable to taxable years beginning after December 31, 2018, to allow for sufficient time to make the necessary form and computer system changes; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2615, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2615, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 2345 (Joint) Economic Development, Tourism, and Technology and Commerce, Consumer Protection, and Health on S.B. No. 2489

The purpose and intent of this measure is to amend the formula for the amount of transient accommodations tax to be collected from time shares by increasing the base on which time shares are taxed.

Your Committees received testimony in opposition to this measure from the Maui Hotel and Lodging Association; Vistana Signature Experiences; American Resort Development Association, Marriott Vacations Worldwide Corporation; Wyndhm Vacation Ownership, Inc.; and Hawai'i Lodging and Tourism Association. Your Committees received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committees find there is a need to update an outdated formula for the amount of tax to be collected from time shares. Your Committees recognize the concerns of time share owners with the proposed increase in the formula's tax base; however, your Committees believe that increasing parity between hotels and time share units is important, as the formula for levying transient accommodations taxes on time share units has not been adjusted since 1998.

Your Committees have amended this measure by inserting an effective date of January 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2489, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2489, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 2346 (Joint) Commerce, Consumer Protection, and Health and Judiciary on S.B. No. 2931

The purpose and intent of this measure is to amend the ethics training requirement for dentists in the continuing education program to be six hours of ethics training within the previous two years.

Your Committees received testimony in support of this measure from the Board of Dental Examiners, Hawaii Dental Association, and twenty-eight individuals.

Your Committees find that this measure amends the ethics training requirements for dentists to six hours over the course of two years, rather than requiring three hours of ethics training each year. Your Committees note that this measure does not change the total amount of ethics training required for dentists over a two-year period; rather, this measure provides greater flexibility for dentists to schedule and complete this training.

Your Committees have amended this measure by clarifying that a dentist licensee must complete at least six hours of ethics training in the previous two-year licensing biennium to comply with the continuing education requirements for license renewal.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2931, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2931, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Tokuda).

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

SCRep. 2347 (Joint) Water and Land and Labor on S.B. No. 3048

The purpose and intent of this measure is to appropriate funds to the Department of Land and Natural Resources for the establishment of a training academy for conservation and resources enforcement officers.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Department of Transportation; Office of Mauna Kea Management; Hawaiian Civic Club of Honolulu; Ho‘omana Pono, LLC; and nine individuals. Your Committees received testimony in opposition to this measure from two individuals. Your Committees received comments on this measure from one individual.

Your Committees find that the Division of Conservation and Resources Enforcement of the Department of Land and Natural Resources lacks a centralized training venue to conduct training of officer recruits and developmental training for existing officers of the Department. As a result, a common core training curriculum is lacking and the officers have varying degrees of training depending on previous law enforcement employment. By establishing a training academy for conservation and resources enforcement officers, this measure will allow the Division of Conservation and Resources Enforcement to provide officer recruits with full range training in conservation and law enforcement, establish a common core training curriculum, and increase officer recruitment and retention.

Your Committees note from the testimony provided by the Division of Conservation and Resources Enforcement the amount of funds necessary to establish an officer training academy and the establishment of two positions to implement the training academy.

Accordingly, your Committees have amended this measure by:

- (1) Inserting the appropriation amount of \$500,928 for the Department of Land and Natural Resources to establish the officer training academy;
- (2) Specifying that the appropriation amount shall also be used for one full-time equivalent (1.0 FTE) permanent educational specialist position and one full-time equivalent (1.0 FTE) permanent office assistant position; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3048, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3048, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Labor: Ayes, 3. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 2348 (Joint) Water and Land and Agriculture and Environment on S.B. No. 2566

The purpose and intent of this measure is to appropriate funds to the Department of Land and Natural Resources to provide assistance and supplemental funding to the National Wildlife Research Center of the United States Department of Agriculture to conduct pilot field studies to evaluate control tools and develop a management plan to reduce the rose-ringed parakeet population on Kauai.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Agriculture, Maui County Councilmember Yuki Lei Sugimura, Hawaii Aquaculture & Aquaponics Association, Land Use Research Foundation of Hawaii, Hawaii Floriculture & Nursey Association, Maui County Farm Bureau, Hawai‘i Farm Bureau, Kaua‘i Chamber of Commerce, Kaua‘i County Farm Bureau, Hawaiian Civic Club of Honolulu, Coordinating Group on Alien Pest Species, Hawaii Crop Improvement Association, Pono Advocacy, and twenty-five individuals.

Your Committees find that there is an increase in reports of rose-ringed parakeet flocks on the island of Kauai. This species poses a significant threat to the local economy, ecology, and human health and safety. On Kauai, the rose-ringed parakeet causes more crop damage than all other birds and mammals.

Your Committees further find that the National Wildlife Research Center began its work to examine the damaging impacts of the rose-ringed parakeet with funds appropriated under Act 31, Session Laws of Hawaii 2017. The appropriated funds were used to support a review of existing damage mitigation tools, identify potential new tools for evaluation, develop stakeholder-specific guidelines for damage control to farmers, ranchers, tourism operators, and homeowners, and establish protocols for pilot studies to evaluate the most promising control tools. This measure will be used to complete the evaluation studies and carry out the second phase of the project, which is to conduct pilot field studies to evaluate control tools and develop a management plan to reduce populations of the rose-ringed parakeet on Kauai. This process will include tracking and mapping populations and field assessment of population reduction methods.

As affirmed by the records of votes of the members of your Committees on Water and Land and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2566 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

SCRep. 2349 (Joint) Hawaiian Affairs and Higher Education on S.B. No. 2970

The purpose and intent of this measure is to appropriate funds to the University of Hawai‘i at Mānoa College of Education, the University of Hawai‘i at Hilo’s Ka Haka ‘Ula ‘o Ke‘elikōlani, the Kahuawaiola indigenous teacher education program, and the Ka

Papahana Kaiapuni program for the purpose of establishing professional qualifications and developing training programs for the Ka Papahana Kaiapuni program's staff.

Your Committees received testimony in support of this measure from the Department of Education, Hawaiian Civic Club of Honolulu, Aha Punana Leo, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and ten individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the University of Hawai'i.

Your Committees find that there still exists a shortage of educators who specialize in Hawaiian medium-immersion education, even thirty years after the establishment of the Ka Papahana Kaiapuni program. Your Committees realize that there is a critical need of educators that specialize in the Hawaiian language to better preserve the Hawaiian culture and instill it in Hawai'i's keiki. Programs such as the University of Hawai'i at Hilo's Ka Haka 'Ula 'o Ke'elikōlani, Kahuawaiola indigenous teacher education program and the Ka Papahana Kaiapuni program and the work done at the University of Hawai'i at Mānoa Kawaihuelani Center for Hawaiian Language support the revitalization and renormalization of the Hawaiian language by better preparing educators to have a high level of cultural and academic quality in Hawaiian medium-immersion education. Your Committees further find that funding these programs to dovetail efforts with the Department of Education's and the University of Hawai'i's educator preparation programs will support the protection and revitalization of the Hawaiian language and culture.

Your Committees have amended this measure as suggested by the Department of Education by:

- (1) Adding language that directs the University of Hawai'i at Mānoa's College of Education to collaborate with the Kawaihuelani Hawaiian Language College and Department of Education to establish professional qualifications and develop training programs for the Ka Papahana Kaiapuni program;
- (2) Consolidating the appropriation into one appropriation, to be allocated equally to the University of Hawai'i at Mānoa and the University of Hawai'i at Hilo and to be expended by the University of Hawai'i rather than the Department of Education; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2970, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2970, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Hawaiian Affairs: Ayes, 4. Noes, none. Excused, 1 (Green).
 Higher Education: Ayes, 3. Noes, none. Excused, 2 (Chang, Kim).

SCRep. 2350 Hawaiian Affairs on S.B. No. 2952

The purpose and intent of this measure is to establish Queen Lili'uokalani Day on the first Monday in the month of September each year, rather than on September 2, in order to coincide with Labor Day.

Your Committee received testimony in support of this measure from Ho'omanapono Political Action Committee; Ho'omana Pono, LLC; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and two individuals. Your Committee received testimony in opposition to this measure from two individuals.

Your Committee finds that there are only two state holidays that honor ali'i, which are King Kamehameha Day, June 11, and Prince Jonah Kuhio Kalaniana'ole Day, March 26. There has not been a holiday honoring an ali'i since statehood. Given that the year 2018 is the "Year of Remembrance of Queen Lili'uokalani", your Committee believes that establishing Queen Lili'uokalani Day to coincide with Labor Day will allow the State to recognize the legacy of her Majesty, Queen Lili'uokalani.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2952 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
 Ayes, 3. Noes, none. Excused, 2 (English, Green).

SCRep. 2351 Hawaiian Affairs on S.B. No. 2782

The purpose and intent of this measure is to specify that certain government records that are maintained by the Department of Hawaiian Home Lands are not required to be disclosed to the public or open for inspection pursuant to public records requests.

Your Committee received testimony in support of this measure from the Department of Hawaiian Home Lands, Hawaiian Civic Club of Honolulu, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, Ho'omanapono Political Action Committee, and two individuals. Your Committee received comments on this measure from the Office of Information Practices and The Civil Beat Law Center for the Public Interest.

Your Committee finds that the Department of Hawaiian Home Lands has received requests under the Uniform Information Practices Act for homestead application files and leases that include personal contact information, genealogies, finance and loan documents, and other sensitive information. Your Committee further finds that pursuant to title 10, Hawaii Administrative Rules, "personal data received or recorded by the department shall be held in absolute confidence and no release of information shall be made without written approval of the individual concerned." Your Committee believes that codifying an exemption from public disclosure of certain government documents will allow the Department of Hawaiian Home Lands to better protect the sensitive information of its beneficiaries.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2782 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Riviere).

SCRep. 2352 (Joint) Hawaiian Affairs and Judiciary on S.B. No. 2581

The purpose and intent of this measure is to:

- (1) Increase the number of members on the King Kamehameha Celebration Commission from thirteen to fifteen; and
- (2) Authorize the Commission to appoint an executive director.

Your Committees received testimony in support of this measure from the King Kamehameha Celebration Commission; Daughters of Hawai'i; Hawaiian Affairs Caucus of the Democratic Party of Hawaii; Hawaiian Civic Club of Honolulu; Ho'omana Pono, LLC; and ten individuals.

Your Committees find that the King Kamehameha Celebration Commission has been working to uphold the legacy of the King that unified the Hawaiian islands. Doing so requires substantial support from other organizations that commemorate and preserve the history of Hawaii. Your Committees find that the Daughters of Hawaii was once a member of the Commission and despite no longer holding membership, has committed their work to upholding Hawaiian history and deserve to once more be represented on the Commission. Similarly, to mirror the legacy of King Kamehameha, this measure seeks to unify the Hawaiian islands by including a representative of Lāna'i as a member. Your Committees believe that the Daughters of Hawaii and a representative from Lāna'i will bring more knowledge and will be great assets to the Commission.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2581 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (English, Galuteria).
Judiciary: Ayes, 3. Noes, none. Excused, 2 (Kim, Thielen).

SCRep. 2353 (Joint) Hawaiian Affairs and Judiciary on S.B. No. 2580

The purpose and intent of this measure is to:

- (1) Appropriate funds to the Department of Accounting and General Services to establish one full-time equivalent (1.0 FTE) position for the Executive Director of the King Kamehameha Celebration Commission; and
- (2) Appropriate funds for costs arising out of the annual King Kamehameha Day celebration events.

Your Committees received testimony in support of this measure from the King Kamehameha Celebration Commission; Daughters of Hawaii; Hawaiian Civic Club of Honolulu; Ho'omana Pono, LLC; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Hawaiian Affairs Caucus of the Democratic Party of Hawai'i; and eleven individuals. Your Committees received testimony in opposition to this measure from the State Council on Hawaiian Heritage.

Your Committees find that the King Kamehameha Celebration Commission was established in 1939 by the Territorial Legislature of Hawaii to celebrate and honor the great King who unified the Hawaiian islands. This Commission is tasked with carrying on the legacy of King Kamehameha and reminding the people of Hawaii about Hawaiian history. Your Committees applaud the work the Commission has accomplished so far and recognize the difficulties that the King Kamehameha Celebration Commission is facing regarding lack of proper staffing to coordinate the King Kamehameha Day celebration. Your Committees believe that it is important to provide sufficient funding for the Commission to effectively prepare for events.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2580 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (English, Galuteria).
Judiciary: Ayes, 3. Noes, none. Excused, 2 (Kim, Thielen).

SCRep. 2354 (Joint) Hawaiian Affairs and Labor and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2134

The purpose and intent of this measure is to require additional government officials at the state and county levels to complete the Office of Hawaiian Affairs' training course on native Hawaiian and Hawaiian rights initially required by Act 169, Session Laws of Hawaii 2015.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Office of Hawaiian Affairs, Native Hawaiian Education Council, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, Oahu County Committee on Legislative Priorities, and twenty individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Maui County Planning Department and one individual.

Your Committees find that a training course in native Hawaiian and public trust law is pertinent to those who, with the decisions they make, impact the lives of native Hawaiians on a daily basis. By having a better understanding of the State's legal responsibilities toward native Hawaiians and the public trust, government officials can better protect the rights of native Hawaiians. While

government officials have a unique set of expertise and skills that are beneficial to the native Hawaiian community, they may not have the knowledge necessary to make fully informed decisions that affect native Hawaiians. Therefore, expanding the requirement of the government officials who must complete the course is important to creating a better environment for native Hawaiians.

Your Committees have amended this measure by:

- (1) Adding the First Deputy and Deputy for Water of the Department of Land and Natural Resources as additional government officials who are required to complete the course; and
- (2) Requiring the Office of Hawaiian Affairs to notify the Governor and county Mayors of the availability of the training classes when scheduled, who shall then notify other administrative heads, their deputies, and other officials who are not statutorily mandated to complete the course of the availability of the course and encourage those officials to complete the course.

Your Committees further find that requiring the course for certain government officials who have an impact on native Hawaiians has been a huge success with the students and the effects it had on their decision making. Your Committees believe that the training course requirement should be expanded to include special courses that are focused toward judges in Hawai'i, as the interpreters of all laws. Your Committees request that the Office of Hawaiian Affairs look into the possibility of creating a training course specifically for judges to provide a better understanding of native Hawaiians and Hawaiian rights and to ensure fair treatment of native Hawaiians in the courts.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs, Labor, and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2134, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2134, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (English, Riviere).

Labor: Ayes, 3. Noes, none. Excused, 2 (English, Ihara).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Ihara).

SCRep. 2355 Labor on S.B. No. 2291

The purpose and intent of this measure is to:

- (1) Increase the minimum wage to \$12.25 per hour in 2019 and \$15 per hour in 2020;
- (2) Repeal language allowing the hourly wage of a tipped employee to be deemed increased on account of tips; and
- (3) Beginning on September 30, 2020, require the Department of Labor and Industrial Relations to annually calculate the adjusted minimum wage rate to the nearest five cents using the Honolulu region CPI-W.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations; Hawaii State Teachers Association; ILWU Local 142; Unite Here! Local 5 Hawaii; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Oceanit; Hawaii State AFL-CIO; Pono Hawai'i Initiative; IMUAlliance; International Brotherhood of Electrical Workers Local Union 1260, AFL-CIO; Hawaii State Coalition Against Domestic Violence; Hawai'i Appleseed Center for Law & Economic Justice; American Association of University Women of Hawai'i; Hawai'i State Democratic Women's Caucus; Hawaii Children's Action Network; YWCA O'ahu; Hawai'i Alliance for Progressive Action; Americans for Democratic Action; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Kupuna Caucus of the Democratic Party of Hawaii; Planned Parenthood Votes Northwest and Hawaii; Hawaii Women's Coalition; and sixty-five individuals. Your Committee received testimony in opposition to this measure from the Chamber of Commerce Hawaii; Maui Chamber of Commerce; Retail Merchants of Hawaii; Hawaii Restaurant Association; Hawaii Food Industry Association; Tiki's Grill & Bar; Outback Steakhouse; IL Gelato Hawaii; National Federation of Independent Business; Waikiki Brewing Company; MOJO LLC; Condominium Rentals Hawaii; Aloha International Employment, Inc.; Napili Kai Beach Resort; Kahului Ale House; Cheeseburger Restaurants, Inc.; and four individuals. Your Committee received comments on this measure from the Grassroot Institute of Hawaii.

Your Committee finds that the minimum wage rate was adjusted in 2014, raising the minimum wage rate each year for the following four years to achieve a minimum wage rate of \$10.10 per hour beginning January 1, 2018. This measure proposes to extend the increased minimum wage rate schedule by increasing the rate to \$12.25 per hour beginning January 1, 2019, and increasing the rate to \$15.00 per hour beginning January 1, 2020, tackling the issue of income inequality and improving the quality of life for minimum wage workers while adding a boost to the State's economy.

Your Committee also finds that Hawaii's relatively low wages are exacerbated by Hawaii's high cost of living and notes that Hawaii's minimum wage rate fails to regularly adjust with Hawaii's rising cost of living. Your Committee believes that annually adjusting the minimum hourly wage to the nearest five cents based on the CPI-W will more accurately reflect Hawaii's economic changes, provide a mechanism to keep up with the cost of inflation, provide employers with more predictable and gradual increases in the minimum wage rate over time, and avoid continual review by the Legislature.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2291 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2356 Labor on S.B. No. 2357

The purpose and intent of this measure is to:

- (1) Deposit funds into the emergency and budget reserve fund;
- (2) Appropriate funds for pre-payment of the State's unfunded accrued pension liability for state employees; and
- (3) Appropriate funds for pre-payment of the State's annual required contribution to cover its other post-employment benefit liability under the Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that whenever the state general fund balance at the close of each of two successive fiscal years exceeds five percent of the general fund revenues for each of the two fiscal years, article VII, section 6, of the Hawaii State Constitution mandates the Legislature to take certain action regarding the use of the excess general fund revenues. Under the constitutional amendment of Senate Bill No. 2554 passed during the 2016 Regular Session and approved by the voters on November 8, 2016, the Legislature may, among other options, appropriate excess general fund revenues for the pre-payment of the State's pension or other post-employment benefit liability. Senate Bill No. 2554 also retains the option to deposit excess general fund revenues into the emergency and budget reserve fund. This measure utilizes the options provided by Hawaii voters.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2357 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2357 Labor on S.B. No. 2360

The purpose and intent of this measure is to require collective bargaining public employees to provide written notification to the employee's exclusive representative to discontinue the employee's payroll assignments within a certain time period.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association; United Public Workers, AFSCME, Local 646, AFL-CIO; and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that in *Janus v. AFSCME*, currently pending before the United States Supreme Court, the petitioners are seeking to invalidate public-sector agency shop arrangements arguing that such arrangements violate the petitioners' First Amendment rights. A ruling in favor of the petitioners in *Janus* may allow public sector employees to leave their unions and not pay dues, while the unions, in turn, would still be legally-bound to represent them, effectively changing collective bargaining representatives' ability to collect resources from their members and potentially diminishing public employees' ability to effectively negotiate. Your Committee finds that this measure requires employees wishing to opt out of union membership to provide written notification within thirty days of the anniversary of their initial membership date in any given year of their desire to discontinue payroll deductions to their exclusive representative, thereby allowing unions to better manage the impact of potential member resignations in the wake of a possible Supreme Court ruling that goes against the unions.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2360 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2358 Labor on S.B. No. 2373

The purpose and intent of this measure is to provide that negotiations over the implementation of management decisions affecting the terms and conditions of employment that are subject to collective bargaining are not precluded from collective bargaining negotiations.

Your Committee received testimony in support of this measure from Hawaii State AFL-CIO; University of Hawaii Professional Assembly; Hawaii State Teachers Association; United Public Workers, AFSCME, Local 646, AFL-CIO; Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO; Americans for Democratic Action; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; State of Hawaii Organization of Police Officers; and one individual.

Your Committee finds that the impact of management decisions that affect terms and conditions of employment, including procedures and criteria for promotions, transfers, assignments, demotions, layoffs, suspensions, terminations, discharges, or other disciplinary actions, should be mandatory subjects of collective bargaining. Your Committee finds that this measure will serve to clarify much of the past confusion and delays as to what is negotiable and encourage good faith on behalf of all parties in the collective bargaining process.

Your Committee has amended this measure by inserting language inadvertently not included in the measure as introduced, to clarify the scope of collective bargaining negotiations and to clarify that negotiation of such subjects does not compel either party to agree to any proposal or make a concession.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2373, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2373, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 2359 Labor on S.B. No. 2610

The purpose and intent of this measure is to add a definition of “intern” to the State Ethics Code and include interns among state employees to whom the Code applies.

Your Committee received testimony in support of this measure from the Hawaii State Ethics Commission.

Your Committee finds that interns should abide by the high ethical standards required by the Ethics Code, particularly for those interns who work full-time in the Legislature or an administrative agency and who would appear to an outsider to be a full-time employee.

Your Committee acknowledges the testimony of the Hawaii State Ethics Commission and recommends, as this measure moves through the legislative process, that your Committee on Judiciary address the questions that were raised by them seeking clarification of the implications of the definition of “intern”. Specifically, clarity is needed to determine:

- (1) If “intern” includes only those individuals who work for the State full-time, or whether it includes all individuals regardless of hours worked;
- (2) If “intern” should include individuals who continue to be paid by their private employers while “volunteering” for the State, or whether the Ethics Code ought to prohibit individuals from volunteering for the State altogether when they are being paid for that time by a private entity; and
- (3) Whether or not an “intern” will be bound by the post-employment law in section 84-18, Hawaii Revised Statutes, if their internship lasts more than one hundred eighty-one days.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2610 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2360 Labor on S.B. No. 2765

The purpose and intent of this measure is to:

- (1) Allow the Executive Director of the Board of Trustees of the Employees’ Retirement System (ERS) to appoint one or more investment professionals under the direction of the Chief Investment Officer; and
- (2) Exempt investment officers and investment professionals, including investment specialists, from civil service and collective bargaining laws.

Your Committee received testimony in support of this measure from the Board of Trustees of the Employees’ Retirement System and University of Hawaii Professional Assembly.

Your Committee finds that successful investment of ERS funds is critical to the sustainability of the system. Although the members of the Board of Trustees have fiduciary responsibility of the general management of the system’s assets and implementation of the system’s investment policy, the Trustees themselves are not investment experts. This measure authorizes the ERS to hire professionals with investment expertise to assist in maintaining a healthy, sustainable ERS.

Your Committee has heard the testimony of the University of Hawaii Professional Assembly and agrees, to be consistent with the practices of other agencies, such as the Hawaii Employee-Union Health Benefits Trust Fund, that the Board of Trustees, rather than the Executive Director, should have the authority to appoint investment officers and investment professionals.

Accordingly, your Committee has amended this measure by:

- (1) Repealing language that allows the Board of Trustees of the ERS to appoint investment officers through its Executive Director, to instead allow the Board to directly appoint investment officers and investment professionals; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2765, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2765, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3; Ayes with Reservations (Taniguchi). Noes, none. Excused, 2 (Chang, English).

SCRep. 2361 Labor on S.B. No. 3023

The purpose and intent of this measure is to repeal provisions that allow individuals whose earning capacity is impaired by old age or physical or mental deficiency or injury to receive wages lower than the applicable minimum wage.

Your Committee received testimony in support of this measure from the Hawai’i Appleseed Center for Law & Economic Justice, IMUAlliance, Pono Hawai’i Initiative, O’ahu County Committee on Legislative Priorities of the Democratic Party of Hawai’i, Kupuna Caucus of the Democratic Party of Hawaii, Stress Free Souls, and forty-one individuals. Your Committee received comments on this measure from the Department of Labor and Industrial Relations, Goodwill Hawaii, Hawaii Disability Rights Center, and Self Advocacy Advisory Council.

Your Committee finds that the existing Hawaii special minimum wage law allows employers to pay workers with disabilities subminimum wages in certain circumstances. Legislation that allows subminimum wages for certain individuals with disabilities was enacted under federal law in 1938, at a time when there were limited opportunities, few services, and even fewer technologies to enable workers with disabilities to engage in the workplace. Your Committee finds that with the high-cost of living in Hawaii and the availability and advancement of assistive technologies that can aid all workers, it is necessary that the State's policies are supportive and inclusive to allow all workers with disabilities to reach their full vocational and socioeconomic potential.

Your Committee has heard the testimony from proponents and also those with concerns about possible unintended consequences of this measure. As such, your Committee recommends that, as this measure moves through the legislative process, your Committee on Ways and Means consider amendments proposed by the Department of Labor and Industrial Relations and further recommends that proponents of this measure and those who testified with concerns discuss possible amendments and improvements for submission to the Legislature.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3023, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3023, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2362 Labor on S.B. No. 3044

The purpose and intent of this measure is to require an on-set teacher to be present with and accompany a minor under fourteen years of age whenever the minor is on set and employed for theatrical purposes.

Your Committee received testimony in support of this measure from the International Alliance of Theatrical Stage Employees Local 665 and three individuals. Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that Hawaii does not require a set teacher or supervisor whenever a minor is employed for theatrical purposes, whereas such a requirement is commonplace in California. Your Committee finds that this measure enhances the existing Hawaii child labor laws to ensure that child actors receive an adequate education while also being protected from dangerous filming situations and possible exploitation or abuse of child labor laws.

Your Committee has amended this measure by:

- (1) Clarifying that an on-set child welfare advocate, rather than a teacher, shall accompany and supervise a minor whenever the minor is on set and a variance from the work hour restrictions to allowable theatrical employment is granted, to ensure employers are compliant with applicable laws and rules; and
- (2) Inserting a definition of "child welfare advocate".

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3044, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3044, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2363 (Joint) Agriculture and Environment and Water and Land and Higher Education on S.B. No. 2078

The purpose and intent of this measure is to appropriate funds to the Department of Land and Natural Resources to conduct, in collaboration with the University of Hawaii College of Tropical Agriculture and Human Resources, a two-year breeding ecology study and two-year foraging ecology study on the pueo on Oahu.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; University of Hawai'i College of Tropical Agriculture and Human Resources; Hawaiian Civic Club of Honolulu; Ho'omanapono Political Action Committee; Ho'omana Pono, LLC; Maui Nui Seabird Recovery Project; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Animal Rights Hawai'i; and fourteen individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Office of Hawaiian Affairs.

Your Committees find that the pueo, or Hawaiian short-eared owl, is an endemic subspecies of the short-eared owl that has a special place in Hawai'i's culture and ecology. The State recognizes the pueo as endangered on the island of Oahu. Conducting comprehensive studies on the pueo will allow researchers to better identify preferred breeding habitats to ensure the continued survivability of the pueo in the State.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment, Water and Land, and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2078 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

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

SCRep. 2364 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2953

The purpose and intent of this measure is to require private streets, highways, or thoroughfares in a development district of the Hawaii Community Development Authority to conform to county highway construction and maintenance standards and allow private civil injunctive actions in circuit court to enforce compliance.

Your Committees received testimony in support of this measure from the Department of Transportation, Kaka'ako United, Musicians' Association of Hawaii, and one individual. Your Committees received testimony in opposition to this measure from the City and County of Honolulu. Your Committees received comments on this measure from the Bank of Hawaii, Land Use Research Foundation of Hawaii, and one individual.

Your Committees find that the intent of this measure is to ensure that private streets, highways, and thoroughfares do not fall into disrepair is well-intentioned. Currently, numerous streets in the Kaka'ako Community Development District are privately owned and in disrepair, with large potholes that are unsafe to vehicles and pedestrians. However, your Committees note that the current language allows for ambiguity, particularly with respect to roads where ownership is in dispute.

Your Committees have amended this measure by clarifying that this measure applies to owners who exercise ownership for financial gain or profit in commercial development districts.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2953, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2953, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 5. Noes, none. Excused, none.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Ihara).

SCRep. 2365 (Joint) Transportation and Energy and Labor on S.B. No. 3077

The purpose and intent of this measure is to:

- (1) Expand the renewable fuel tax credit by increasing the total amount of tax credits that can be claimed and making the tax credit permanent; and
- (2) Create a renewable fuel facilitator position within the Department of Business, Economic Development, and Tourism.

Your Committees received testimony in support of this measure from the Hawaii Bioeconomy Trade Organization, Hawaii Gas, and three individuals. Your Committees received comments on this measure from the Department of Taxation; Department of Business, Economic Development, and Tourism; and Tax Foundation of Hawaii.

Your Committees find that biofuels can significantly advance the State's clean energy goals. This measure will increase investment in biofuels, especially because there is no federal tax incentive for biofuels. The establishment of a renewable fuels facilitator position will also help develop and advance biofuel projects.

Your Committees believe that the definition of feedstock should be clarified to acknowledge organic material in general and that the date that the Department of Business, Economic Development, and Tourism must report to the Legislature is too soon after the renewable fuel facilitator's assessment of renewable fuel projects.

Thus, your Committees have amended this measure by:

- (1) Including organic material in the definition of "renewable feedstocks" and "renewable fuels";
- (2) Delaying the date that the Department of Business, Economic Development, and Tourism must report to the Legislature by one year;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3077, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3077, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 5. Noes, none. Excused, none.

Labor: Ayes, 5. Noes, none. Excused, none.

SCRep. 2366 Judiciary on S.B. No. 2447

The purpose and intent of this measure is to exempt all proceedings relating to parking violations under certain administrative rules from the exclusive, original jurisdiction of the environmental courts.

Your Committee received testimony in support of this measure from the Judiciary and Department of Land and Natural Resources.

Your Committee finds that most of the parking violations at the State's small boat harbors and state parks do not pose direct or severe impacts to the State's natural or cultural resources. These cases can be easily and more efficiently processed through the regular district courts or the Traffic Violations Bureau of the First Circuit. Removing these cases from the jurisdiction of the environmental courts will allow the courts to focus on more serious environmental cases.

Your Committee has amended this measure by inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2447, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2447, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2367 Judiciary on S.B. No. 2149

The purpose and intent of this measure is to increase the number of District Court Judges in the Second Circuit from three to four.

Your Committee received testimony in support of this measure from the Judiciary and Department of the Prosecuting Attorney of the County of Maui.

Your Committee finds that the demands on the Second Judicial Circuit have increased significantly in the thirty-six years since a District Court Judge was last legislatively authorized in that circuit. Due to a lack of judges, the District Court convenes in Hana and Lanai only once every month, and on Molokai only three times every month. These calendars are insufficient to keep up with the growing numbers of cases being filed in rural areas and off-Maui island courts. This measure will increase the number of District Court Judges to meet these increased needs.

Your Committee has amended this measure by inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2149, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2149, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2368 (Joint) Water and Land and Agriculture and Environment on S.B. No. 2571

The purpose and intent of this measure is to ban the sale, offer of sale, or distribution in the State of any SPF sunscreen protection personal care product that contains oxybenzone or octinoxate, or both, without a medically licensed prescription.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Hawaii County Councilmember Eileen O'Hara, Hawaiian Affairs Caucus of the Democratic Party of Hawai'i, Hawaiian Civic Club of Honolulu, Haereticus Environmental Laboratory, Hawai'i Reef and Ocean Coalition, Sustainable Coastlines Hawaii, Goddess Garden Organics, Humane Society of the United States, Americans for Democratic Action Hawai'i, Friends of Hanauma Bay, Sierra Club of Hawai'i, Napili Bay and Beach Foundation, Maui School Garden Network, Pacific Boats & Yachts LLC, For the Fishes, West Hawaii Humane Society, Ban Toxic Sunscreens Hawai'i, and forty-three individuals. Your Committees received testimony in opposition to this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii Medical Association, Hawaii Food Industry Association, American Chemistry Council, Consumer Healthcare Products Association, and Personal Care Products Council. Your Committees received comments on this measure from the Department of Land and Natural Resources and Department of Health.

Your Committees find that two chemicals contained in many sunscreens, oxybenzone and octinoxate, have significant harmful impacts on Hawaii's marine environment and ecosystems, including coral reefs that protect Hawaii's shoreline. Furthermore, as the environmental contamination of oxybenzone and octinoxate is constantly refreshed and renewed daily by swimmers and beachgoers who apply sunscreens containing these two chemicals, the contamination persists in Hawaii's coastal waters. By prohibiting the sale and distribution in Hawaii of ultraviolet sun protection factor sunscreen personal care products containing oxybenzone and octinoxate without a medically licensed prescription, this measure preserves marine ecosystems, including coral reefs, in Hawaii.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2571, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2571, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.
Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).
Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

SCRep. 2369 (Joint) Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2930

The purpose and intent of this measure is to require the Department of Health to adopt rules for underground storage tanks, tank systems, and related piping that conform with recent revisions to federal regulations and include additional requirements for certain field-constructed underground storage tanks including compliance with certain requirements in chapter 11-281, Hawaii Administrative Rules, or successor rules.

Your Committees received testimony in support of this measure from the City and County of Honolulu Board of Water Supply; Hawaiian Civic Club of Honolulu; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Young Progressives Demanding Action; Hawai'i Alliance for Progressive Action; Gentlewave Bodywork Referral, Inc.; Ka Lāhui Hawaii

Political Action Committee; and twenty individuals. Your Committees received testimony in opposition to this measure from the United States Navy and Department of Defense, Department of Health, Chamber of Commerce Hawaii, and one individual.

Your Committees find that the leakage of fuel from underground storage tanks is a matter of statewide concern. Fuel that leaks from storage tanks can contaminate groundwater that is used for human consumption and cause significant damage to the environment. Issues surrounding leaking fuel storage tanks are numerous and need to be adequately addressed for the health and safety of Hawaii's people and environment.

Your Committees have amended this measure by:

- (1) Extending the deadline from September 1, 2018, to October 13, 2018, for the Department of Health to adopt rules to conform Hawaii's underground storage tank and tank system rules with the July 15, 2015, revisions to federal regulations;
- (2) Requiring the Department of Health to require via rules that:
 - (A) All field-constructed underground storage tanks with capacities greater than 50,000 gallons, regardless of installation date, be upgraded to secondary containment with interstitial monitoring by July 1 of an unspecified year, and be subject to certain permitting rules; and
 - (B) All onsite integral piping connected to any field-constructed storage tanks with capacities greater than 50,000 gallons, regardless of installation date, be upgraded to secondary containment with interstitial monitoring by July 1 of an unspecified year and be subject to certain permitting rules;
- (3) Deleting language that would have required field-constructed underground storage tanks with capacities greater than 50,000 gallons and all onsite integral piping connected to such tanks to meet certain requirements prior to upgrading with secondary containment;
- (4) Deleting language that would have prohibited field-constructed underground storage tanks from being installed on or after July 1, 2019, unless the storage tank and piping have secondary containment and comply with certain administrative rules; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2930, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2930, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 5. Noes, none. Excused, none.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Wakai).

SCRep. 2370 (Joint) Agriculture and Environment and Education on S.B. No. 2928

The purpose and intent of this measure is to establish a three-year farm to school grant pilot program in the Department of Agriculture.

Your Committees received testimony in support of this measure from the Department of Agriculture; Department of Education; University of Hawai'i System; State Procurement Office; American Heart Association; Hawai'i Farms to School Hui; Hawaii State Teachers Association; Ulupono Initiative; Maui School Garden Network; Mālama Kaua'i; Kōkua Hawai'i Foundation; Hawaii Primary Care Association; Hawaii Cattlemen's Council, Inc.; Māla'ai: The Culinary Garden of Waimea Middle School on Hawaii Island; Hawai'i Pacific Health; Local Food Coalition; Hawaiian Affairs Caucus of the Democratic Party of Hawai'i; Hawaii Floriculture & Nursery Association; Ka Ohana O Na Pua; Hawaiian Civic Club of Honolulu; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and nine individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that farm to school activities support a nutritious school food environment and that more than eighty-five percent of the youth in Hawaii attend public schools. Students who participate in farm to school activities are more likely to be familiar with, have a preference for, and consume more fruits and vegetables at school and at home, thereby establishing healthy behaviors at an early age that may prevent the onset of chronic diseases and other health conditions later in life. Your Committees further find that participation in the farm to school program may be financially challenging for many farmers due to the high costs of compliance with federal law and regulations regarding food safety.

Your Committees also find that eighty-eight percent of Hawaii's K-12 public non-charter schools have gardens, which range in their levels of quality, teacher and student involvement, and curricular integration. These programs range in size from individual planter boxes to large-scale school food farms and may or may not have a dedicated, trained, paid garden educator to support them. Your Committees find that the Department of Education's 'Aina Pono Farm to School Program aims to systematically increase state purchasing of local food for school menus; however, the full benefits of a farm to school program are only realized when high quality, well-rounded programs are in place, which include school gardens and relevant educational opportunities for all students. The Department of Agriculture farm to school program enables state efforts to go beyond the 'Aina Pono Farm to School Program by:

- (1) Increasing the procurement of locally grown foods for school meals and other state agencies;
- (2) Strengthening agriculture education for the development of future farmers;
- (3) Collecting statewide data via the Hawaii Farm to School Census;
- (4) Ensuring food safety practices on farms and in schools; and
- (5) Building inter-agency collaboration and public-private partnerships.

Your Committees conclude that a farm to school grant program is essential to the development and sustainability of successful school-level farm to school programs that provide a direct benefit to students and communities while ultimately ensuring the long term success of state-level farm to school efforts.

Your Committees have amended this measure by:

- (1) Deleting the appropriation for administrative costs of the pilot program;
- (2) Deleting the appropriation amount for the continuance of the Hawaii farm to school program and allocating unspecified portions of that amount for the farm to school coordinator position and for administrative expenses for the Hawaii farm to school program; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2928, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2928, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Rhoads, Ruderman).

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kim).

SCRep. 2371 Labor on S.B. No. 2763

The purpose and intent of this measure is to allow payment of employer contributions to the Employees' Retirement System (ERS) in advance of the fiscal year in which the contributions are required.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and Board of Trustees of the Employees' Retirement System.

Your Committee finds that currently, the ERS is not able to accept employer contributions in advance of the fiscal year in which the contributions are required. This measure would allow employers to remit cash in advance and to receive credit against future contribution obligations; therefore, giving employers more flexibility in making payments. Additionally, advance payments will assist the ERS to reduce the plan's unfunded liabilities over time.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2763, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2763, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2372 (Joint) Education and Agriculture and Environment on S.B. No. 2387

The purpose and intent of this measure is to:

- (1) Authorize the Department of Education to establish a farm to school program;
- (2) Require the farm to school coordinator in the Department of Agriculture to work in collaboration with the Department of Education on any farm to school program; and
- (3) Establish and appropriate funds for two full-time equivalent (2.0 FTE) farm to school staff positions within the Department of Education.

Your Committees received testimony in support of this measure from the Department of Education; Department of Health; Department of Agriculture; State Public Charter School Commission; Hawaii State Teachers Association; Hawai'i Farm Bureau; American Heart Association; Mala'ai: The Culinary Garden of Waimea Middle School; Blue Zones Project; Hawai'i Public Health Institute; Kōkua Hawai'i Foundation; Local Food Coalition; Kamehameha Schools; Hawai'i Pacific Health; O'ahu Farm to School Network; Oahu County Committee on Legislative Priorities for the Democratic Party of Hawaii; Malama Kona, Surfrider Foundation; Hawaii Farmers Union United; We Are One, Inc.; Hawaii Afterschool Alliance; Hawai'i Primary Care Association; Mālama Kaua'i; Hawaiian Civic Club of Honolulu; Maui School Garden Network; Ulupono Initiative; Ka Ohana O Na Pua; and numerous individuals.

Your Committees find that farm to school programs benefit students in multiple ways, including providing students with agricultural education and increasing opportunities for place-based experiential learning, physical activity, and active participation in the school meal program. Since the Hawaii farm to school program was established pursuant to Act 218, Session Laws of Hawaii 2015, the Department of Education, in collaboration with the Office of the Lieutenant Governor, Department of Agriculture, University of Hawaii, and community partners, established pilot programs using strategic procurement adjustments to increase the supply of locally-grown and raised foods in the school meal program. The continued growth and sustainability of the Hawaii farm to school program will require on-going coordination between the Department of Agriculture and the Department of Education.

As this measure moves through the legislative process, your Committees request that your Committee on Ways and Means further consider the inclusion of charter schools by the Department of Education in the farm to school program.

Your Committees have amended this measure by requiring, rather than authorizing, the Department of Education to establish a farm to school program.

As affirmed by the records of votes of the members of your Committees on Education and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2387, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2387, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

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

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Rhoads, Ruderman).

SCRep. 2373 Education on S.B. No. 2680

The purpose and intent of this measure is to require the Legislative Reference Bureau to conduct a study on the impact of the weighted student formula on small and remote schools to determine whether the formula fulfills its statutory purpose of equalizing operational funding among the State's public schools.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association and Oahu County Committee on Legislative Priorities for the Democratic Party of Hawaii. Your Committee received comments on this measure from the Department of Education and Legislative Reference Bureau.

Your Committee finds that the Reinventing Education Act of 2004 established a weighted student formula to allocate monies to schools according to the different costs of educating students with different needs. However, despite the intended equitable distribution of funds, the weighted student formula has placed small and remote schools at a disadvantage.

Your Committee further finds that the Committee on Weights is responsible for, among other things, reviewing the issue and revising the formula to provide for the equitable distribution of funds to all of Hawaii public schools. Although there is major concern for insufficient funding for public schools, various Committees on Weights have recommended and the Board of Education has approved changes in the formula factor that has increased the weighted student formula base funding at schools. Because these changes affect the well-being of schools and students from all areas, it is important that the Legislature be made aware of such changes.

Your Committee has amended this measure by deleting its contents and inserting language that requires the Committee on Weights to submit a report to the Legislature detailing any changes to the funding formula within thirty days of the change.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2680, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2680, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2374 Education on S.B. No. 2997

The purpose and intent of this measure is to require the Department of Education to prepare a report identifying any unused federal funds.

Your Committee received testimony in support of this measure from the Native Hawaiian Education Council and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that the Department of Education receives federal grants for public education that must be used for specific purposes within specific periods of time or else be returned to the federal government. Each grant has a catalog of federal domestic assistance number that categorizes the grant and identifies its intended purpose and any attached guidelines. Your Committee further finds that the results of a financial audit of the Department of Education for the years 2013 to 2016 revealed that the Department had underutilized over \$175,000,000 of federal funding for each of the reported years. This measure increases the transparency and accountability of the Department of Education to better utilize federal grants by requiring the Department of Education to prepare a report detailing all unused federal grants for the last five years.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2997 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

SCRep. 2375 (Joint) Education and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2576

The purpose and intent of this measure is to:

- (1) Require the Department of Education to ensure that all classroom doors have interior locks installed by January 1, 2019, and that intercom systems are installed by January 1, 2020;
- (2) Mandate that the Department of Education establish an emergency management plan for all public schools that are updated yearly and include annual mandatory emergency preparedness orientations and training; and
- (3) Require emergency preparedness training for all teachers and school staff as well as emergency practice drills at every school, some of which must be during inopportune times of the school day.

Your Committees received testimony in support of this measure from the Maui Police Department; Ho'omana Pono, LLC; and five individuals. Your Committees received comments on this measure from the Department of Health, Department of Education, and State Public Charter School Commission.

Your Committees find that Hawaii's public schools continue to be safe and secure places for students, teachers, and staff. In case of an emergency or security threat, it is essential that schools have adequate infrastructure, emergency preparedness plans in place, and professional development and training of teachers and staff. This measure ensures that students, teachers, and staff are safe in Hawaii's public schools by improving infrastructure, establishing and updating emergency management plans, and increasing professional development and training in emergency preparedness.

Your Committees have amended this measure by placing the new language amending section 302A-1133, Hawaii Revised Statutes, to require the Department of Education to establish an emergency management plan for all schools, into a new section in chapter 302A, Hawaii Revised Statutes, for purposes of clarity.

As affirmed by the records of votes of the members of your Committees on Education and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2576, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2576, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Espero).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2376 (Joint) Commerce, Consumer Protection, and Health and Higher Education on S.B. No. 2049

The purpose and intent of this measure is to appropriate funds to the University of Hawaii Cancer Center to determine why Hawaii has the highest incidence in the country of liver and bile duct cancer.

Your Committees received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, American Cancer Society Cancer Action Network, and fifteen individuals.

Your Committees find that Hawaii has had the highest or second highest rate of liver and bile duct cancer in the nation in recent years. Your Committees find that Hawaii faces one hundred eighty-four new cases of liver and bile duct cancer each year, which is double the national average rate, even as rates of other cancers continue to decline.

Your Committees find that the primary risk factors for liver and bile duct cancer include hepatitis B, hepatitis C, and heavy alcohol consumption. However, your Committees also find that prevalence of these factors in Hawaii is near the national average. Your Committees find that other known risk factors include aflatoxin ingestion and liver fluke infection, but that there is no data on the prevalence of these risk factors in Hawaii, making it impossible to say if they are causing the increased rate in liver and bile duct cancer.

Your Committees find that liver and bile duct cancer takes a long time to develop but is nearly always fatal, making prevention through avoidance of risk factors especially important.

Your Committees find that the University of Hawaii Cancer Center is preparing to conduct a three-year study to examine other potential causes of liver and bile duct cancer, including aflatoxin ingestion, liver fluke infection, and potential ethnic correlations. Your Committees further find that funding this study will help prevent future cases of liver and bile duct cancer, saving lives and solving a local health mystery.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2049 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Nishihara).

Higher Education: Ayes, 4. Noes, none. Excused, 1 (Kidani).

SCRep. 2377 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2092

The purpose and intent of this measure is to establish knowingly making a false statement to a county inspector as a crime within the offense of unsworn falsification to authorities.

Your Committee received testimony in support of this measure from the County of Maui Planning Department, Keep It Kailua, Lanikai Association, Honolulu City Councilmember Ann H. Kobayashi, and twelve individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that enforcement of ordinances, rules, and regulations is necessary to ensure public health and safety. To that end, inspectors must be able to complete inspections for compliance with ordinances, rules, and regulations without unnecessary interference. Moreover, inspectors should be able to rely on statements provided by interested parties. Therefore, your Committees find that knowingly making a false statement, in oral, written, printed, or electronic form, to a county inspector in the course of the inspector's investigation to ascertain compliance with any ordinance, rule, or regulation should be a crime and fits within the existing offense of unsworn falsification to authorities.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2092 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2378 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2047

The purpose and intent of this measure is to require the Auditor to conduct a performance audit of certain offices and programs within the Department of Public Safety and appropriate necessary funds for the audit.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association, Community Alliance on Prisons, and nine individuals. Your Committee received testimony in opposition to this measure from the Department of Public Safety. Your Committee received comments on this measure from the Office of the Auditor.

Your Committee finds that ensuring that public safety officials are sufficiently qualified and working to secure the public's interests is important for promoting public health, safety, and welfare. Protecting the public's interests requires proper oversight over the Department of Public Safety, and to provide that necessary oversight, it is appropriate to require the Auditor to perform an audit of certain offices and programs within the Department of Public Safety. In addition, your Committee received various testimony indicating the need to audit additional areas of the Department. Your Committee recognizes that the proposed audit will take significant time to complete and finds that the Legislature should be kept aware of the status and findings of the audit as it progresses.

Accordingly, your Committee has amended this measure by:

- (1) Replacing the audit of whether contracts were steered toward contractors and vendors due to familial and personal relationships to an audit of whether contracts are awarded in accordance with the state procurement code;
- (2) Amending the scope of the audit, including by adding additional programs and practices within the Department of Public Safety to be audited;
- (3) Deleting language requiring the Auditor to include proposed legislation in the report to be submitted to the Legislature;
- (4) Requiring the Auditor to submit an interim report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019; and
- (5) Extending the decline for submission of the auditor's completed report to the Legislature by one year to the Regular Session of 2020.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2047, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2047, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2379 (Joint) Public Safety, Intergovernmental, and Military Affairs and Water and Land and Transportation and Energy on S.B. No. 2947

The purpose and intent of this measure is to:

- (1) Require police departments and certain state agencies to disclose to the Legislature the identity of a law enforcement officer upon the officer's second suspension in a five-year period or discharge; and
- (2) Require disclosure under the Uniform Information Practices Act of certain information, including identity, of a law enforcement officer after the officer's second suspension in a five-year period.

Your Committees received testimony in support of this measure from the Hawaiian Civic Club of Honolulu and one individual. Your Committees received testimony in opposition to this measure from the Office of Information Practices, The Civil Beat Law Center the Public Interest, ACLU of Hawai'i, and League of Women Voters of Hawaii.

Your Committees find that disclosing the identities of law enforcement officers who are suspended twice within a five-year period serves the public interest. Transparency and accountability of law enforcement officers are of great importance in maintaining the public's confidence in law enforcement, and a healthy relationship between law enforcement agencies and the public is essential for maintaining the health, safety, and welfare of the public.

However, your Committees recognize the concerns raised in testimony about the potential unintended consequences of this measure. Your Committees agree with the testimony presented that adding state law enforcement officers into the class of government employees whose suspensions are not automatically made public under the Uniform Information Practices Act would actually decrease transparency and accountability.

Accordingly, your Committees have amended this measure by:

- (1) Removing state law enforcement officers from the proposed class of government employees whose suspensions are not automatically made public under the Uniform Information Practices Act, chapter 92F, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs, Water and Land, and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2947, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2947, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4; Ayes with Reservations (Baker, Ihara, Thielen). Noes, none. Excused, 1 (Wakai).

Water and Land: Ayes, 4; Ayes with Reservations (Thielen). Noes, none. Excused, 1 (Gabbard).

Transportation and Energy: Ayes, 4; Ayes with Reservations (English). Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2380 (Joint) Water and Land and Judiciary on S.B. No. 2866

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

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Office of Hawaiian Affairs, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaiian Civic Club of Honolulu, and six individuals.

Your Committees find that aquatic in-lieu fee mitigation is an effective mechanism to restore, create, enhance, and preserve aquatic habitats or resources to recover the ecological functions, services, and values of aquatic resources that are lost or anticipated to be lost due to adverse impacts to other similar aquatic habitats. Aquatic in-lieu fee mitigation is widely used across the United States to achieve ecologically valuable conservation. This measure will provide the Department of Land and Natural Resources with an innovative mechanism to improve state stewardship of aquatic public trust resources and habitats, increase accountability for aquatic resource damage, and provide higher quality remediation to make damaged resources whole again.

As affirmed by the records of votes of the members of your Committees on Water and Land and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2866 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 3. Noes, none. Excused, 2 (Inouye, Thielen).

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

SCRep. 2381 (Joint) Water and Land and Judiciary on S.B. No. 2077

The purpose and intent of this measure is to:

- (1) Authorize the Department of Land and Natural Resources to enter into the interstate wildlife violator compact or similar agreement with an appropriate state, federal, or foreign entity for mutual assistance in the enforcement of hunting, fishing, and other wildlife laws, rules, or regulations in their respective jurisdictions;
- (2) Provide certain immunities and entitlements to employees of the Department of Land and Natural Resources for acts in administering or enforcing the terms or conditions of the agreement if the acts are within the course and scope of their employment; and
- (3) Make an appropriation for the Department of Land and Natural Resources to enter into the interstate wildlife violator compact or similar agreement.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Humane Society of the United States, Hawaiian Humane Society, Hawaiian Civic Club of Honolulu, Pono Advocacy, and twelve individuals.

Your Committees find that compact agreements are voluntary, formal interstate agreements among states that are not initiated by the federal government. A majority of the states have enacted legislation to codify the interstate wildlife violator compact, whereby persons who have had their licenses revoked in one state are prohibited from engaging in those licensed activities in another state that is part of the compact agreement. This measure will allow the Department of Land and Natural Resources to enhance hunting, fishing, and other wildlife protection enforcement efforts.

Your Committees note the suggestion made by the Humane Society of the United States to codify the language from the interstate wildlife violator compact into state law, similar to other states who are compact participants. Your Committees believe that this matter merits further discussion by your Committee on Ways and Means should that Committee schedule this measure for public hearing.

Your Committees have amended this measure by:

- (1) Removing language that would have provided employees of the Department of Land and Natural Resources who perform acts to administer or enforce the terms or conditions of the agreement immunity from civil liability for damages if the acts are within the course and scope of their employment;
- (2) Removing the appropriation for the Department of Land and Natural Resources to enter into the interstate wildlife violator compact or similar agreement;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2077, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2077, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 3. Noes, none. Excused, 2 (Inouye, Thielen).

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

SCRep. 2382 Water and Land on S.B. No. 3105

The purpose and intent of this measure is to:

- (1) Establish a Lipoa Point visitor fee to each paying passenger of a maritime commercial vessel engaging in commercial activity that requires travel through certain ocean waters seaward of Lipoa Point; and
- (2) Establish the Lipoa Point management special fund for the purposes of:
 - (A) Supporting the management of the Lipoa Point area, including operational and maintenance costs; and
 - (B) Providing educational awareness to visitors of the Lipoa Point area that the stewardship activities are being funded through the Lipoa Point visitor fee and that all monies collected in the fund are being used for the stewardship of the Lipoa Point area.

Your Committee received testimony in support of this measure from the Hawaiian Civic Club of Honolulu. Your Committee received testimony in opposition to this measure from Quicksilver Charters and Ocean Tourism Coalition. Your Committee received comments on this measure from the Department of Land and Natural Resources and Department of Budget and Finance.

Your Committee finds that pursuant to Act 241, Session Laws of Hawaii 2013, the Department of Land and Natural Resources acquired a parcel of land located at Lipoa Point to become part of the public trust. Lipoa Point in Honolulu is one of the most iconic landmarks in Hawaii. Honolulu is rich in marine resources and historical and archaeological sites, and is one of the most popular recreational areas for locals and tourists, offering some of the best snorkeling and surfing conditions on Maui. This measure provides the commensurate funding to assist the Department in managing and maintaining the Lipoa Point area.

Your Committee notes the comments submitted by the Department of Land and Natural Resources that there are approximately four commercial operators that engage in commercial activities in Honolulu Bay, which is located near Lipoa Point. These four commercial operators do not embark or disembark passengers on the shore or access the land at Lipoa Point. Thus, the Department has concerns that the proposed visitor fee for each paying passenger of a maritime commercial vessel engaging in commercial activity in the ocean waters, as proposed by this measure, may not relate sufficiently to land-based impacts on the Lipoa Point area.

Accordingly, your Committee has amended this measure by:

- (1) Removing the language that establishes a Lipoa Point visitor fee and any references to the fee;
- (2) Appropriating \$100,000 to be deposited into the Lipoa Point management special fund for the Department of Land and Natural Resources to support the management of the Lipoa Point area and provide educational awareness to visitors of the Lipoa Point area; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3105, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3105, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2383 (Joint) Transportation and Energy and Commerce, Consumer Protection, and Health on S.B. No. 2910

The purpose and intent of this measure is to enhance the State's emergency preparedness by:

- (1) Encouraging the development of grid resiliency through a grid resiliency capital investment program and grid resiliency rebate program; and
- (2) Establishing a grid resiliency task force to analyze grid resiliency programs and identify critical infrastructure.

Your Committees received testimony in support of this measure from the Hawaii Solar Energy Association, Distributed Energy Resources Council of Hawaii, Tesla, Life of the Land, Alliance for Solar Choice, Sierra Club Hawaii, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual. Your Committees received testimony in opposition to this measure from Hawaiian Electric Company, Inc. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Budget and Finance; and Public Utilities Commission.

Your Committees find that as an isolated island that is exposed to natural disasters, Hawaii must have infrastructure in place that can withstand natural disasters and emergencies. Enhancing grid resiliency should be the focus, to reduce the severity of damage to the electric grid, and to ensure that critical infrastructure such as hospitals, fire stations, police stations, and ports of entry can continue to operate even if there is damage to the grid.

However, your Committees find that while the investment and development of grid resiliency can be incentivized through rebates, this measure as currently written could be too narrowly focused and might not be taking into full consideration the needs of critical infrastructure.

Accordingly, your Committees have amended this measure to focus on assessing the State's grid resiliency and critical infrastructure by:

- (1) Eliminating the rebate programs;
- (2) Removing the grid resiliency task force and establishing a homeland security and resiliency council whose membership shall include critical infrastructure sector stakeholders;

- (3) Tasking the homeland security and resiliency council with, among other things, establishing strategies, goals, priorities, and recommendations to enhance security and resiliency of the electric grid and other critical infrastructure;
- (4) Inserting appropriate definitions to clarify the scope of the homeland security and resiliency council's purview and duties;
- (5) Making an appropriation to the homeland security and resiliency council to carry out its duties; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2910, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2910, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 2384 (Joint) Housing and Education on S.B. No. 2278

The purpose and intent of this measure is to:

- (1) Establish the teacher home assistance program to be administered by the Hawaii Housing Finance and Development Corporation to provide housing vouchers to full-time teachers employed by the Department of Education, including teachers at public charter schools, who teach in a hard-to-fill school, as determined by the Department of Education, and whose household income does not exceed eighty percent of the area median income; and
- (2) Appropriate funds to the Hawaii Housing Finance and Development Corporation to provide housing vouchers through the teacher home assistance program.

Your Committees received testimony in support of this measure from the State Public Charter School Commission, Hawaii Teacher Standards Board, Kamaile Academy Public Charter School, IMUAlliance, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii State Teachers Association, and nine individuals. Your Committees received comments on this measure from the Department of Education; Hawaii Housing Finance and Development Corporation; and Maui Police Department, County of Maui.

Your Committees find that Hawaii continues to suffer from a shortage of qualified teachers and financial incentives are a key strategy for the recruitment and retention of teachers, especially since the salaries of teachers in Hawaii continue to trail the nation when adjusted for cost of living. Housing in Hawaii is expensive and contributes to the financial burden on teachers. By establishing a teacher home assistance program to provide housing vouchers to teachers who teach in hard-to-fill schools, this measure provides a financial incentive to assist teachers in attaining sustainable and stable residency and lessen the financial burden of housing.

Your Committees note that this measure makes the Hawaii Housing Finance and Development Corporation responsible for implementing the teacher home assistance program and issuing housing vouchers to qualified teachers. Your Committees believe that making the Department of Education responsible for implementing the program merits further discussion by your Committee on Ways and Means should that Committee consider this measure.

Your Committees have amended this measure by:

- (1) Clarifying that the housing vouchers shall not exceed \$500 per month, rather than \$10,000 in a single year, as long as the teacher is employed by the Department of Education, teaches in a hard-to-fill school as determined by the Department of Education, and resides in this State; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing and Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2278, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2278, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

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

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kim).

SCRep. 2385 Water and Land on S.B. No. 2003

The purpose and intent of this measure is to:

- (1) Restrict the taking of any aquatic life for commercial purposes by any method of catch to persons who hold a valid, non-lapsed aquarium fish permit and commercial marine license;
- (2) Allow the taking of any aquatic life for non-commercial purposes subject to a limit of five fish or aquatic life specimens per person, per day, provided that fine meshed traps or nets, throw nets, or other prohibited catch methods are not used;
- (3) Beginning on July 1, 2018, prohibit the Department of Land and Natural Resources from issuing any new aquarium fish permits for aquarium purposes;
- (4) Require the Department of Land and Natural Resources to renew an existing aquarium fish permit, provided that the permit has not lapsed at the time of the renewal;

- (5) Prior to July 1, 2023, require the Department of Land and Natural Resources to transfer an existing aquarium fish permit, provided that the permit has not lapsed at the time of the transfer;
- (6) Require that non-lapsed permits be renewed or transferred to another person holding a commercial marine license if the person renewing the permit or the transferee can satisfy the Department of Land and Natural Resources that the permittee or transferee has facilities to and can maintain aquatic life alive and in reasonable health and does not engage in practices that constitute the offense of cruelty to animals in the second degree;
- (7) Allow a commercial marine licensee to assist another commercial marine licensee with a valid, non-lapsed aquarium fish permit, provided that the assistance does not involve the use of any gear, equipment, tools, or other means to take aquatic life; and
- (8) Add definitions for “commercial purpose”, “fine mesh” or “fine meshed”, and “lapsed”.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii and one individual. Your Committee received testimony in opposition to this measure from the Hawaii Fishermen’s Alliance for Conservation and Tradition, Inc.; Hawaii Hunting Association; Coral Fish Hawaii; Hawaii Goes Fishing; Snorkel Bob’s; Conservation for Hawai’i; Earth Justice; and eighteen individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources, The Humane Society of the United States, For the Fishes, and Animal Rights Hawaii.

Your Committee finds that hundreds of thousands of saltwater fish and other aquatic life, such as invertebrates, are annually removed from their natural ocean habitat in Hawaii to be kept in aquariums in homes throughout the State and country. These fish and other aquatic life are caught and sold as part of the aquarium trade industry for ornamentation and amusement, not for food purposes. The State’s aquarium fish permit authorizes the taking of an unlimited number of fish and other aquatic life for commercial aquarium purposes, and up to two thousand fish and other aquatic life annually for recreational aquarium purposes, using nets and traps containing stretched netting of less than two-inch mesh.

Your Committee believes that under the precautionary principle and since saltwater fish and other aquatic life caught for aquarium purposes are not used for food purposes, it is in the best interest of the fish and other aquatic life, as well as of the reefs they inhabit, that fish and other aquatic life remain in their natural environment, not confined in aquarium tanks. Therefore, this measure phases out aquarium fish collecting for commercial purposes in Hawaii while allowing the taking of aquatic life for non-commercial aquarium purposes using certain nets or traps to continue, provided that the aquarium collector holds an aquarium fish permit and is subject to a limit of five fish or aquatic life specimens per person, per day.

Your Committee notes the recent litigation in *Umberger v. Department of Land and Natural Resources*, 140 Hawaii 500, 403 P.3d 277 (2017) and subsequent order after remand by the Circuit Court issued on October 27, 2017, that resulted in the invalidation of all existing aquarium fish permits used for commercial aquarium collection purposes. The Circuit Court also found that the Department of Land and Natural Resources’ practice of issuing commercial aquarium collection permits without an environmental review as required by the Hawaii Environmental Policy Act was a violation of that Act, and thus enjoined the Department from issuing or renewing aquarium fish permits to commercial collectors until further order of the circuit court. Collecting for recreational purposes was not affected by the Circuit Court’s order.

Accordingly, your Committee has amended this measure by:

- (1) Adding language to section 1:
 - (A) Regarding the recent decision pursuant to *Umberger v. Department of Land and Natural Resources* that invalidates then-existing aquarium fish permits used for commercial aquarium collection purposes; and
 - (B) That clarifies that this measure is not intended to overrule the decision in *Umberger v. Department of Land and Natural Resources* nor negate the State’s constitutional and statutory obligations to conserve fishery resources in the State;
- (2) Clarifying throughout that this measure concerns only the taking of aquatic life for aquarium purposes;
- (3) Clarifying that non-commercial aquarium collectors are limited to a maximum of five aquatic life specimens per person, per day regardless of whether the taking is done pursuant to an aquarium fish permit or by other means of take;
- (4) Allowing the Department of Land and Natural Resources to issue new aquarium fish permits for commercial or non-commercial aquarium purposes for a four-month period beginning on the date the injunction order as a result of *Umberger v. Department of Land and Natural Resources* is lifted or the final disposition of *Umberger*, whichever occurs earlier;
- (5) Establishing that subsequent to the four-month period during which the Department of Land and Natural Resources may issue new aquarium fish permits, the Department is prohibited from issuing new aquarium fish permits, whether for commercial or non-commercial aquarium purposes;
- (6) Allowing, rather than requiring, the Department of Land and Natural Resources to renew on an annual basis an existing aquarium fish permit, provided that the permit has not lapsed at the time of the renewal;
- (7) Allowing, rather than requiring, the Department of Land and Natural Resources to transfer an existing aquarium fish permit, provided that the permit has not lapsed at the time of the transfer for a period of five years beginning on the date the injunction order as a result of *Umberger v. Department of Land and Natural Resources* is lifted or the final disposition of *Umberger*, whichever occurs earlier;
- (8) Requiring a permittee seeking to renew a permit or a transferee to satisfy the Department of Land and Natural Resources that the permittee or transferee has not been convicted of the offense of animal cruelty in the second degree within a five-year

period prior to the issuing, renewing, or transferring of the aquarium fish permit, rather than satisfying to the Department that the permittee or transferee does not engage in practices that constitute the offense of cruelty to animals in the second degree;

- (9) Clarifying that the aquarium fish permit requirements proposed in this measure shall not be construed to alter the State's constitutional and statutory obligations to conserve the fishery resources of the State pursuant to the state constitution;
- (10) Removing the definition of "commercial purpose" and adding the definitions of "commercial aquarium purposes" and "non-commercial aquarium purposes"; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2003, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2003, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Inouye, Thielen).

SCRep. 2386 Ways and Means on S.B. No. 2712

The purpose and intent of this measure is to amend the liquor tax law by:

- (1) Expanding the definition of a "cooler beverage" to include coolers containing distilled spirits and certain additives; and
- (2) Repealing the tax rate on beer other than draft beer and applying the tax rate on draft beer to all beer.

Your Committee received testimony in support of this measure from Big Island Brewhaus LLC, Hawaiian Craft Brewers Guild, Home of the Brave Brewing Co., Homebrew in Paradise, Honolulu BeerWorks, Kauai Brewers, Kauai Island Brewing Company, Kohola Brewery, Lanikai Brewing Company, Maui Brewing Co., REAL A Gastropub, Waikiki Brewing Company, and fifty-seven additional individuals from the Maui Brewing Co.

Your Committee received testimony in opposition to this measure from the Hawai'i Alcohol Policy Alliance.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that this measure will eliminate confusion surrounding the two separate tax rates on beer by consolidating the two taxes into one. The statutory definition of "draft beer," based upon the size of a container, is inconsistent with the use of the term in the industry, where it refers to beer from tap. Your Committee further finds that including spirit beverage coolers as cooler beverages will encourage local brewers to develop spirit beverage coolers for the local market, thereby increasing opportunities for local businesses.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2712, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2712, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Kidani, Riviere, Shimabukuro).

SCRep. 2387 Ways and Means on S.B. No. 2823

The purpose and intent of this measure is to increase funding for the Department of Taxation's Special Enforcement Section to investigate fraud and noncompliance, especially in relation to the transient accommodations tax.

More specifically, the measure increases the annual deposit ceiling of the tax administration special fund from \$700,000 to \$1,000,000.

Your Committee received testimony in support of this measure from the Department of Taxation.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the Special Enforcement Section plays a major role in the Department of Taxation's efforts to encourage compliance with Hawaii's tax laws. Your Committee notes that the Special Enforcement Section is funded solely through the tax revenues that it collects and that are deposited into the tax administration special fund, which is currently capped at \$700,000 per fiscal year. Your Committee believes that an increase in funding would enable the Special Enforcement Section to enhance its tax enforcement functions and encourage voluntary compliance with the tax laws by increasing the department's exposure and visibility.

Your Committee has amended this measure by changing the effective date to July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2823, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2823, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Kidani, Riviere, Shimabukuro).

SCRep. 2388 Ways and Means on H.B. No. 2600

The purpose and intent of this measure is to appropriate funds for the expenses of the Legislature, the Office of the Auditor, the Legislative Reference Bureau, the Office of the Ombudsman, and the Hawaii State Ethics Commission.

Specifically, this measure appropriates:

- (1) \$9,645,383 to the Senate;
- (2) \$13,269,211 to the House of Representatives;
- (3) \$3,157,127 to the Office of the Auditor;
- (4) \$2,800,000 for deposit into the Audit Revolving Fund;
- (5) \$6,300,000 from the Audit Revolving Fund to the Office of the Auditor to conduct or complete its audit functions;
- (6) \$3,707,995 to the Legislative Reference Bureau;
- (7) \$1,322,205 to the Office of the Ombudsman;
- (8) \$1,130,158 to the Hawaii State Ethics Commission; and
- (9) \$535,028 for accrued vacation payments and vacation transfer payments for employees leaving the employ of the Senate, House of Representatives, Office of the Auditor, Legislative Reference Bureau, Office of the Ombudsman, and Hawaii State Ethics Commission.

Your Committee received testimony in support of this measure from the Hawaii State Ethics Commission, Office of the Auditor, Office of the Ombudsman, and two individuals.

The Legislative Reference Bureau submitted comments on the measure.

Your Committee finds that this measure appropriates sufficient funds to defray the necessary expenses in fiscal year 2018-2019 of the Senate, the House of Representatives, the Office of the Auditor, the Legislative Reference Bureau, the Office of the Ombudsman, and the Hawaii State Ethics Commission.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2600, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Inouye).

SCRep. 2389 Ways and Means on Gov. Msg. No. 506

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF TAXATION

G.M. No. 506 LINDA CHU TAKAYAMA, for a term to expire at noon on 12-03-2018

Your Committee reviewed the personal statement and resume submitted by Linda Chu Takayama for service as the Director of Taxation.

Your Committee received testimony in support of the nomination from the Office of the Governor; the Department of Accounting and General Services; the Department of Agriculture; the Department of the Attorney General; the Department of Budget and Finance; the Department of Business, Economic Development, and Tourism; the Department of Defense; the Department of Health; the Department of Human Resources Development; the Department of Labor and Industrial Relations; the Department of Land and Natural Resources; the Department of Public Safety; the Department of Transportation; the Hawaii Tourism Authority; the Labor and Industrial Relations Appeals Board; the Office of Enterprise Technology Services; Hawaii 3Rs; Hawaiian Electric Company; Hawaii Farm Bureau Federation; Hawaii Health Information Corporation; Hawaii Pacific Health; SanHi Government Strategies; United Public Workers; and thirteen individuals.

Upon review of the testimony and the nominee's qualifications, your Committee finds that the nominee has served as the interim Director of Taxation since December of last year. Your Committee notes that the nominee previously served as the Director of Labor and Industrial Relations, the Deputy Director of Commerce and Consumer Affairs, and the Executive Director of the Office of Economic Development, City and County of Honolulu. Your Committee also notes that the nominee earned a Bachelor of Arts degree in journalism from the University of Hawaii and a Juris Doctor degree from George Mason University.

Your Committee finds that Linda Chu Takayama's extensive experience in public service will make her an effective leader of the Department of Taxation.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Inouye, Shimabukuro).

SCRep. 2390 Ways and Means on Gov. Msg. No. 536

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF BUDGET AND FINANCE

G.M. No. 536 LAUREL A. JOHNSTON, for a term to expire at noon on 12-03-2018

Your Committee reviewed the personal statement and resume submitted by Laurel A. Johnston for service as the Director of Finance.

Your Committee received testimony in support of the nomination from the Office of the Governor; the Department of Accounting and General Services; the Department of Agriculture; the Department of Budget and Finance; the Department of Business, Economic Development, and Tourism; the Department of Defense; the Department of Health; the Department of Human Resources Development; the Department of Labor and Industrial Relations; the Department of Land and Natural Resources; the Department of Public Safety; the Department of Taxation; the Department of Transportation; the Employees' Retirement System; the Hawaii Tourism Authority; a member of the Labor and Industrial Relations Appeals Board; the Office of Enterprise Technology Services; the Office of the Public Defender; the Domestic Violence Action Center; SanHi Government Strategies; the United Public Workers; the Young Men's Christian Association of Honolulu, and eleven individuals.

Upon review of the testimony and the nominee's qualifications, your Committee finds that the nominee has served as the Deputy Director of Finance, and began serving as the Acting Director of Finance at the end of 2017. Your Committee notes that the nominee has had an extensive career with the State, spanning thirty years of accumulated experience as a public administrator, researcher, and writer in education, health, criminal justice, social justice, economic development, and public finance. Your Committee also notes that the nominee earned a Bachelor of Science degree in Criminology and a Master of Science Degree in Public Administration from Florida State University.

Your Committee finds that Laurel A. Johnston's extensive experience in public service and finance will make her an effective leader of the Department of Budget and Finance.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Inouye, Shimabukuro).

SCRep. 2391 (Joint) Commerce, Consumer Protection, and Health and Agriculture and Environment on S.B. No. 3099

The purpose and intent of this measure is to:

- (1) Establish a plastics recycling grant program to identify Hawaii-based alternatives for the sustainable recycling and reuse of plastic commodities;
- (2) Require the Department of Health to set benchmarks to reach an eighty-five percent redemption rate for deposit beverage containers by 2023;
- (3) Require the Department of Health to annually report to the Legislature on redemption rates, progress, and plans regarding the deposit beverage container program; and
- (4) Appropriate funds to establish two positions for the glass advance disposal fee program.

Your Committees received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Glass Packaging Institute, Sierra Club of Hawaii, Container Recycling Institute, Patients Without Time, and six individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that China had been importing the majority of the United States' plastic scrap until July 2017, when it announced that it would effectively ban imports of twenty-four kinds of scrap. Accordingly, pressure on domestic recycling programs has increased.

Despite this, your Committees find that the current redemption rate of the deposit beverage container program is at sixty-seven percent, near the all-time low of 66.9 percent. Your Committees find that efforts need to be made to increase the redemption rate of plastic beverage containers and ensure less plastic is being deposited in landfills and the ocean.

Your Committees received testimony indicating that Oregon experienced similar declines in beverage container redemption rates and consequently enacted a law to automatically increase the refund value from five cents to ten cents after two consecutive years of redemption rates below eighty percent. Your Committees find it to be a useful model to follow. Your Committees find that five cents is not a sufficient incentive for the public to recycle their plastic beverage containers, but that a ten cent refund value will incentivize consumer recycling if other measures prove ineffective. Your Committees find that an automatic conditional increase will allow this incentive to go into effect if and when needed.

Your Committees have amended this measure by:

- (1) Adding provisions modeled on Oregon law providing for an automatic conditional increase in the refund value from five cents to ten cents; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3099, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3099, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Chang, Ihara).

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Rhoads, Riviere).

SCRep. 2392 Commerce, Consumer Protection, and Health on S.B. No. 2812

The purpose and intent of this measure is to update chapter 329, Hawaii Revised Statutes (HRS), the Uniform Controlled Substances Act, to be consistent with amendments to the federal Controlled Substances Act, as required under section 329-11, HRS.

Your Committee received testimony in support of this measure from the Department of Public Safety. Your Committee received testimony in opposition to this measure from the Maui Police Department.

Your Committee finds that this measure will update Hawaii's Uniform Controlled Substances Act, bringing it into conformity with the federal Controlled Substances Act. Your Committee finds that this change will ease enforcement and reduce confusion as to the scheduling of controlled substances in the State.

Your Committee also finds that additional amendments have been made to the federal Controlled Substances Act since this measure was introduced. Accordingly, your Committee finds that amendments recommended by the Department of Public Safety are necessary to include additionally scheduled controlled substances.

Your Committee has amended this measure by:

- (1) Incorporating the amendments proposed by the Department of Public Safety to include additionally scheduled controlled substances at sections 329-14(g) and 329-16(g), Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2812, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2812, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Nishihara).

SCRep. 2393 Commerce, Consumer Protection, and Health on S.B. No. 2624

The purpose and intent of this measure is to:

- (1) Require condominium owners to pay for administrative costs, related to requests to view voting documents, in excess of forty hours per year;
- (2) Require a condominium association's proxies and ballots to be retained for five years after an association meeting; and
- (3) Criminalize knowingly making any false certificate, entry, or memorandum upon any of the books or records of any managing agent or association and knowingly altering, destroying, mutilating, or concealing any books or records of a managing agent or association.

Your Committee received testimony in support of this measure from Hui 'Oia'i'o and five individuals. Your Committee received testimony in opposition to this measure from the Hawaii Council of Association of Apartment Owners, Associa, and six individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that this measure makes several changes to requirements related to a condominium's voting documents, including increasing the amount of time an owner may have to view voting documents after an association meeting, increasing the length of time an association's proxies and ballots must be retained, and criminalizing certain conduct related to the alteration of documents.

However, your Committee has heard concerns that this measure's expansion of time for owners to view association documents is excessive. According to testimony received by your Committee, since these administrative services are generally provided by paid employees of a property management firm that administers records of a condominium association, forty free hours per owner would be financially burdensome for those firms, who would likely pass on the cost to the association. Concerns were also raised regarding the five-year retention requirement for proxies and ballots proposed by this measure. Your Committee notes that the election of officers is an annual event, and any effort to overturn an election years later may create undue potential liability for an association. Furthermore, because many associations must pay a fee to store proxies and ballots, requiring an association to retain these types of documents for five years, regardless of whether a meeting is contested, may result in unnecessary expenses for the association.

Your Committee has also heard the concerns that this measure essentially criminalizes conduct of unpaid volunteers. According to testimony received by your Committee, association board members are already exposed to personal liability under the State's condominium laws if the members breach their fiduciary duty. Further subjecting a board member's conduct to criminalization will likely discourage more condominium owners from serving on their boards. Amendments to this measure are therefore necessary to address these concerns.

Accordingly, your Committee has amended this measure by:

- (1) Removing language that would have required condominium owners to pay for administrative costs, related to voting documents, in excess of forty hours per year;
- (2) Specifying that a condominium association's proxies and ballots may be destroyed ninety days, rather than five years, after an association meeting;
- (3) Removing language that would have criminalized knowingly making any false certificate, entry, or memorandum upon any of the books or records of any managing agent or association or knowingly altering, destroying, mutilating, or concealing any books or records of a managing agent or association; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2624, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2624, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2394 Commerce, Consumer Protection, and Health on S.B. No. 2800

The purpose and intent of this measure is to provide an avenue for the Department of Health to share amongst its program employees certain personal health statistics records for research purposes, subject to approval by the Department's institutional review committee.

Your Committee received testimony in support of this measure from the Department of Health and Hawaii Primary Care Association.

Your Committee finds that this measure will allow the Department of Health to safeguard the privacy of vital records while providing limited sharing of vital statistics records amongst its employees, with approval from the Department's institutional review committee. Your Committee finds that, under existing law, the Department is authorized to use de-identified data for research purposes, however in many circumstances the use of identified data is also needed for research purposes. Your Committee finds that this measure will allow the Department of Health to conduct important public health research, including the Pregnancy Risk Assessment Monitoring System research study.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2800, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2800, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Nishihara).

SCRep. 2395 Commerce, Consumer Protection, and Health on S.B. No. 2298

The purpose and intent of this measure is to create a tax credit that encourages preceptors to offer professional training to students seeking careers as healthcare providers in Hawaii, in order to expand the State's capacity for clinical instruction and address the shortfall of medical professionals.

Your Committee received testimony in support of this measure from the Board of Nursing; Board of Pharmacy; University of Hawaii System; University of Hawaii John A. Burns School of Medicine; University of Hawaii School of Nursing and Dental Hygiene; Hawaii State Center for Nursing; Hawaii Pacific Health; Straub Medical Center; Waianae Coast Comprehensive Health Center; Hawaii Primary Care Association; Hawaii Medical Association; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; American Organization of Nurse Executives – Hawaii Chapter; Wahiawa Center for Community Health; and eight individuals. Your Committee received comments on this measure from the Department of Taxation, Department of Health, Hawaii Medical Board, and Tax Foundation of Hawaii.

Your Committee finds that there is a primary care provider shortage in Hawaii that will be exacerbated by the projected retirements of physicians and advanced practice registered nurses. Your Committee also finds that academic institutions across Hawaii face challenges in ensuring an adequate number of future healthcare professionals and are constrained in part by the lack of clinical education sites in Hawaii and the limited supply of qualified primary care preceptors. Your Committee also finds that training by a preceptor is an integral part of the medical training program. Your Committee further finds that one way to encourage participation of preceptors is to offer a tax credit for professionals who serve as preceptors.

Your Committee notes that the costs of this program are uncertain. Accordingly, your Committee finds it prudent to offer the tax credit only to those medical professionals serving as preceptors to primary care physicians, including osteopathic physicians, and advanced practice registered nurses at this time, evaluate the effectiveness and the cost of the tax credit, and then determine whether the tax credit should be expanded to preceptors for other valuable professions, such as dentists, pharmacists, social workers, dietitians, and physical therapists.

Your Committee also finds it necessary for the tax credit to be certified by a group with the authority to review sensitive educational data and that additional specifications regarding certification of the tax credits are needed. Your Committee is amenable to language proposed by the Hawaii State Center for Nursing that addresses these issues and refines definitions in this measure.

Accordingly, your Committee has amended this measure by:

- (1) Limiting the applicability of the tax credit to only professionals serving as preceptors for students studying to be primary care physicians, osteopathic physicians, and advanced practice registered nurses;
- (2) Renaming the healthcare preceptor tax working group to the preceptor credit assurance committee and clarifying the committee's duties;
- (3) Exempting the committee from part I of chapter 92, Hawaii Revised Statutes, and providing civil liability protections for members of the committee;
- (4) Updating and adding various definitions, as recommended by the Hawaii State Center for Nursing; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2298, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2298, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Nishihara).

SCRep. 2396 (Joint) Commerce, Consumer Protection, and Health and Judiciary on S.B. No. 2312

The purpose and intent of this measure is to:

- (1) Require all organizations that may receive a grant from the State to be in compliance with all registration and annual reporting requirements of the Department of Commerce and Consumer Affairs and provide proof of a current and valid general excise tax license; and
- (2) Require all nonprofit organizations that may receive a grant from the State to provide proof of a current and valid general excise tax license; register with the Department of the Attorney General as a charitable organization, if applicable; provide proof of the filing of Internal Revenue Service Form 990, 990EZ, or 990-N; and be current on the payment of all real property taxes, if applicable.

Your Committees received testimony in support of this measure from the Hawaii Youth Services Network. Your Committees received comments on this measure from the Department of the Attorney General and Department of Budget and Finance.

Your Committees find that currently, there is no requirement under existing law or in the State's grant application process for applicants to provide proof of compliance with Hawaii's charitable solicitation laws, if applicable. According to testimony from the Department of the Attorney General, nonprofit charitable organizations that have received state grant monies in the past, and that would otherwise be required to be registered or have been granted an exemption from registration by the Attorney General, have been found not in compliance with these requirements. This measure therefore clarifies the requirements for organizations and nonprofit organizations that may receive a grant from the State.

Your Committees note that the Department of the Attorney General, in coordination with the Departments of Budget and Finance and Commerce and Consumer Affairs, have suggested additional amendments for this measure to further clarify the standards for the award of grants to organizations and nonprofit organizations. Amendments to this measure are therefore needed to incorporate the changes suggested by the Departments of the Attorney General, Budget and Finance, and Commerce and Consumer Affairs.

Accordingly, your Committees have amended this measure by:

- (1) Clarifying the requirements for a grant applicant that is an organization incorporated in Hawaii, including:
 - (A) Providing a copy of the organization's bylaws and policies that describe the manner in which services funded by the grant would be performed;
 - (B) Requiring a certificate of good standing from the Department of Commerce and Consumer Affairs;
 - (C) Requiring a current tax clearance from the Department of Taxation; and
 - (D) Requiring proof that the organization is current in its payment of real property taxes, if applicable to the organization; and
- (2) Clarifying the additional requirements for a grant applicant that is a nonprofit organization, including:
 - (A) Providing a copy of its Internal Revenue Service Exemption rule and proof of current 501(c)(3) status;
 - (B) Requiring proof of compliance with Hawaii's charitable solicitation law, if applicable; and
 - (C) Providing copies of its most recent Internal Revenue Service Form 990, 990EZ, or 990-N.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2312, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2312, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Tokuda).
Judiciary: Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 2397 (Joint) Commerce, Consumer Protection, and Health and Higher Education and Labor on S.B. No. 3004

The purpose and intent of this measure is to prohibit smoking, including the use of electronic smoking devices, on University of Hawaii premises.

Your Committees received testimony in support of this measure from the University of Hawaii System, University of Hawaii Student Health Advisory Council, Graduate Assistants at UH Manoa in the Health Services and Health Promotion Office, American Cancer Society Cancer Action Network, Alcohol and other Drug Education Program, American Heart Association, Hawaii Public Health Institute, Blue Zones Project Koolauapoko, and one hundred six individuals. Your Committees received testimony in opposition to this measure from the University of Hawaii Professional Assembly. Your Committees received comments on this measure from three individuals.

Your Committees find that tobacco use is the single most preventable cause of death in the United States and in Hawaii, with tobacco-related diseases resulting in \$96,000,000,000 in national health care costs annually. Your Committees also find that sales of electronic smoking devices have doubled each year since 2008, with sales reaching \$1,700,000,000. Your Committees also find that approximately ninety-nine percent of smokers began smoking before age twenty-six.

Your Committees also find that over seventeen-hundred college campuses have already gone smoke-free, with over thirteen-hundred banning electronic smoking devices as well. Your Committees further find that smoking on university campuses negatively impacts students, faculty, and visitors, including high school students conducting campus visits. Your Committees find that existing no-smoking policies are irregular in application and enforcement across the University of Hawaii System.

Accordingly, your Committees find that a ban on smoking on the University of Hawaii campuses will have a strong impact on limiting the number of new smokers. Your Committees find that this measure will improve enforcement of existing smoking bans, and encourage positive health practices at the University of Hawaii. Your Committees also find that a university-wide statutory ban will provide uniformity for students who may attend classes at multiple campuses.

Your Committees have heard the concerns of some of the individual testifiers with respect to accommodating smokers on college campuses who may otherwise drop out. However, your Committees find that, on balance, promoting the overall health of the university community is a goal worth pursuing despite these concerns.

Finally, your Committees note and appreciate that the Department of Health and the American Cancer Society Cancer Action Network have volunteered to assist the University of Hawaii with implementation of the ban.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health, Higher Education, and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3004 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Nishihara).

Higher Education: Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Kim).

Labor: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2398 (Joint) Commerce, Consumer Protection, and Health and Higher Education on S.B. No. 2374

The purpose and intent of this measure is to implement the recommendations of the working group convened pursuant to House Concurrent Resolution No. 90 (Regular Session of 2016), by establishing and appropriating funds for a three-year community paramedic services pilot program, and requiring an evaluation of the pilot program.

Your Committees received testimony in support of this measure from the University of Hawaii System, City and County of Honolulu Emergency Services Department, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Hawaii Pacific Health, American Medical Response, and two individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that a high percentage of calls for emergency medical services are from callers who call multiple times per day for issues that do not require an emergency response. Your Committees find that as emergency call volume continues to rise, a community paramedic system could address many of the non-emergency callers, thereby freeing up emergency medical services needed for other individuals experiencing actual emergencies.

Your Committees also find that the working group convened pursuant to House Concurrent Resolution No. 90 (Regular Session of 2016), recommended forming a community paramedic system to reduce emergency call volume and improve health in the State by addressing callers needing non-emergency destinations, post-hospital discharge care, hospice care, the homeless population, behavioral health, and other non-emergency health conditions. Your Committees find that implementing the working group's recommendation with a pilot program, and requiring the Department of Health Emergency Medical Services and Injury Prevention System Branch to report on the status of the pilot program, will allow the Legislature to evaluate the effectiveness of a community paramedic system. Your Committees find that a sunset date is appropriate to encourage review of the community paramedic system.

Your Committees also note for consideration by your Committee on Ways and Means that Kapiolani Community College will require additional funding for implementation of and training of necessary personnel for the pilot program.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2374 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Nishihara).

Higher Education: Ayes, 4. Noes, none. Excused, 1 (Kidani).

SCRep. 2399 Commerce, Consumer Protection, and Health on S.B. No. 2776

The purpose and intent of this measure is to:

- (1) Authorize the Regulated Industries Complaints Office to issue citations for specific violations of the motor vehicle repair laws; and
- (2) Establish a process for licensees in violation of motor vehicle repair laws to contest the citation for the assessment of fines for each violation.

Your Committee received testimony in support of this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and Motor Vehicle Repair Industry Board.

Your Committee finds that this measure expedites the Regulated Industries Complaints Office's enforcement of certain technical violations of the motor vehicle repair laws. Your Committee notes that the citation process established by this measure is similar to previous citation processes established for technical violations of massage therapy laws and beauty culture laws. These recent citation laws have had a positive impact on the Regulated Industries Complaints Office's efforts to curb violations and ensure swift compliance by licensees and have enabled the Office to more effectively allocate its resources. Your Committee further finds that the enforcement mechanisms in this measure will also significantly enhance the Regulated Industries Complaints Office's ability to address technical violations of the motor vehicle repair licensing laws.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2776 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2400 (Joint) Commerce, Consumer Protection, and Health and Agriculture and Environment on S.B. No. 2114

The purpose and intent of this measure is to appropriate funds to establish two positions for the glass advance disposal fee program.

Your Committees received testimony in support of this measure from the Department of Health, Oahu County Committee On Legislative Priorities of the Democratic Party of Hawaii, and City and County of Honolulu Department of Environmental Services.

Your Committees find that the Department of Health has not requested any staff positions to administer the glass advance disposal fee program and that, accordingly, glass recycling in Hawaii has been ineffective. Your Committees find that the lack of requests was due to the uncertain interpretation of certain statutory provisions and the perceived lack of authority to develop and adopt rules for the program. Your Committees find that the state auditor recommended in Report Nos. 14-16 and 17-04 that the Department of Health request positions to adequately administer the glass advance disposal fee program. Your Committees find that staff positions should be established to enable the glass advance disposal fee program to help fund and support recycling programs at the county level, contributing to an increase in non-deposit glass recycling.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2114 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Chang, Ihara).
Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Rhoads, Riviere).

SCRep. 2401 (Joint) Agriculture and Environment and Commerce, Consumer Protection, and Health on S.B. No. 2474

The purpose and intent of this measure is to require the Department of Health to conduct a study on the impacts of aviation noise on the residents in the Puna District on the Island of Hawaii and surrounding areas of the Hawaii Volcanoes National Park.

Your Committees received testimony in support of this measure from the Office of the Mayor of the County of Hawai'i, Hawai'i County Councilmember Eileen Ohara, Hawaii Island Coalition Malama Pono, and twenty-six individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that it is the responsibility of the Department of Health to address excessive noise issues and the impacts of excessive noise in the State. Your Committees further find that overhead helicopter noise has had detrimental effects on residents who live in helicopter tour flight paths. Your Committees acknowledge that helicopter flight paths fall under the jurisdiction of the Federal Aviation Administration, but believe that the State must take steps to assess the situation and find a solution regarding helicopter noise to bring some relief to Hawaii residents.

Your Committees have amended this measure by:

- (1) Deleting language that would have required the Department of Health to adopt rules to address the aviation noise impact findings of the study;
- (2) Requiring the Department of Transportation to collaborate with the Department of Health on the aviation noise study and subsequent report to the Legislature; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2474, as

amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2474, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2402 (Joint) Agriculture and Environment and Commerce, Consumer Protection, and Health on S.B. No. 2113

The purpose and intent of this measure is to prohibit manufacturers, contract testing facilities, and research facilities in Hawaii from using animal test methods for which an alternative test method is available.

Your Committees received testimony in support of this measure from Cruelty Free International, Keiko Conservation, Animal Rights Hawai'i, and fifteen individuals. Your Committees received testimony in opposition to this measure from the University of Hawaii System; Coordinating Group on Alien Pest Species; Hawaii Cattlemen's Council, Inc.; and one individual.

Your Committees find that according to Cruelty Free International, for more than fifty years, animals have been used in painful tests to assess the safety of certain chemicals used in cosmetic products and household cleaners. Consumers and scientists have become increasingly skeptical about the necessity and validity of animal testing for cosmetics and household products because animal testing alternatives are available that are cheaper, faster, and better able to predict human reactions. Although hundreds of cosmetic and household product companies have voluntarily ceased animal testing, without any laws banning animal testing, countless animals are vulnerable to cruel tests. Your Committees find that Hawaii should lead by example and prohibit manufacturers and contract testing facilities in Hawaii from using animal test methods to test cosmetics and household products for which an alternative test method is available.

Your Committees have amended this measure by:

- (1) Deleting references to "research facility", to apply the animal testing ban only to manufacturers and contract testing facilities;
- (2) Clarifying that the animal testing ban applies only to the testing of cosmetics or household products;
- (3) Inserting language to exclude the use of animal test methods that comply with requirements of state and federal agencies;
- (4) Inserting language to exclude animal tests necessary to prevent the introduction and establishment of plants, animals, and diseases that are detrimental to the State's agricultural industry and the environment, to protect the health and safety of people, or for purposes of national defense;
- (5) Clarifying that, in addition to medical research, the animal testing ban does not apply to animal test methods used for the purposes of neuroscience, and basic science testing, education, and research; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2113, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2113, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2403 (Joint) Public Safety, Intergovernmental, and Military Affairs and Labor on S.B. No. 2428

The purpose and intent of this measure is to:

- (1) Require the Chief of Police or Director of Public Safety to deny employment to a candidate for a state or county law enforcement officer position if the candidate's previous position as a law enforcement officer was terminated while the officer was in poor employment standing; and
- (2) Require background checks for prospective state and county law enforcement officers.

Your Committees received testimony in support of this measure from four individuals.

Your Committees find that the hiring of high-quality employees for state and county law enforcement is vital to protecting the health, safety, and welfare of the public. Existing law does not require prospective state and county law enforcement officers to undergo background checks, nor does existing law prohibit the hiring of individuals who may have been dismissed from a previous law enforcement position while in poor employment standing. Your Committees find that the lack of these guidelines and requirements allow for the possibility of hiring unqualified law enforcement officers, thereby placing the public at risk. Therefore, your Committees find that proper guidelines in the form of required prior employment background checks and a prohibition on the hiring of individuals who were terminated from a previous law enforcement position while in poor employment standing are necessary to ensure public confidence and safety.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2428 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Wakai).

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

SCRep. 2404 (Joint) Public Safety, Intergovernmental, and Military Affairs and Human Services on S.B. No. 2819

The purpose and intent of this measure is to make an emergency appropriation to provide funds for the Department of Public Safety to reimburse the Department of Human Services for unexpected increased costs for specialty out-of-facility care and hospitalization of inmates for pharmacy services.

Your Committees received testimony in support of this measure from the Department of Public Safety.

Your Committees find that ensuring the health of inmates is essential for maintaining an appropriate corrections system and for promoting public welfare. Your Committees find that unexpected increased costs for specialty out-of-facility care and hospitalization of inmates and increased costs for pharmacy services have created a critical funding shortage that will prevent the Department of Public Safety from meeting its payment obligations to the Department of Human Services and its pharmacy services provider for the remainder of fiscal year 2017-2018. Consequently, your Committees find that it is necessary to make an emergency appropriation to provide the necessary additional funds for the Department of Public Safety to be able to reimburse the Department of Human Services for the increased costs of hospitalization and specialty out-of-facility care and to cover the increased costs of pharmacy services.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2819 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Wakai).

Human Services: Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2405 (Joint) Commerce, Consumer Protection, and Health and Transportation and Energy on S.B. No. 2200

The purpose and intent of this measure is to prohibit smoking in a motor vehicle when a minor is present, and to require the Department of Health to submit a report to the Legislature regarding the enforceability of and data collection pertaining to this prohibition.

Your Committees received testimony in support of this measure from the Department of Health, Maui Councilmember Yuki Lei Sugimura, Hawaii Public Health Institute, and four individuals. Your Committees received testimony in opposition to this measure from the Hawaii Smokers Alliance and three individuals.

Your Committees find that secondhand smoke is a dangerous class A carcinogen, in the same class as asbestos and benzene. On January 17, 2014, the fiftieth anniversary of the release of the United States Surgeon General's report on the dangers of smoking, the Surgeon General stated that over two and one-half million nonsmokers have died from health problems caused by secondhand smoke since 1964.

Your Committees further find that children run a greater risk of suffering from the damaging health effects of secondhand smoke because they have a higher exposure risk and are more susceptible to health problems. Your Committees also find that secondhand smoke exposure in vehicles is more concentrated than in bars and restaurants, even when a window is open.

Your Committees also find that eight states, as well as Puerto Rico, and all counties in the State have enacted legislation banning smoking in motor vehicles occupied by minors. Accordingly, your Committees find that implementing a statewide ban will protect children from involuntary exposure to secondhand smoke as well as create uniformity of application for visitors and residents of all counties of the State.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2200 and recommend that it pass Second Reading and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 2406 (Joint) Human Services and Judiciary on S.B. No. 2096

The purpose and intent of this measure is to appropriate funds to satisfy state and federal class action settlement agreements requiring the Department of Human Services to implement a foster care maintenance payment system that complies with the federal Child Welfare Act, increase clothing allowance payments, reimburse certain caregivers and beneficiaries for past inadequate benefit payments, and comply with additional settlement terms.

Your Committees received testimony in support of this measure from the Department of the Attorney General and one individual. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that despite inflation and the high cost of living in Hawaii, the monthly foster care maintenance payments have remained largely unchanged since the Legislature established the payment in 1990. Your Committees further find that federal and state class action lawsuits, filed to address the inadequacy of foster care maintenance payments, have resulted in court orders requiring the Department of Human Services to increase basic board rate and clothing allowance payments, periodically review and update the basic board rate in the future, provide additional benefit and assistance information to caregivers, and reimburse certain caregivers and beneficiaries for past inadequacies in benefit payments. Your Committees note that an appropriation from the Legislature is necessary to pay for certain payments provided under the federal and state settlement agreements.

Your Committees have amended this measure by:

- (1) Deleting the appropriation amount to allow the Department of the Attorney General to determine the specific amount to be appropriated;

- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2096, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2096, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Human Services: Ayes, 3. Noes, none. Excused, 2 (Tokuda, Wakai).
 Judiciary: Ayes, 3. Noes, none. Excused, 2 (Gabbard, Rhoads).

SCRep. 2407 Government Operations on S.B. No. 2661

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including the seventeen United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, Department of Human Services, Department of Education, Office of Planning, The Nature Conservancy of Hawaii, Airport Concessionaires Committee, Oahu Economic Development Board, Polynesian Voyaging Society, and one individual. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that Hawaii has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that the priority of the Senate for the Regular Session of 2018 is to adopt the United Nation's Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. Your Committee finds that the Sustainable Development Goals are voluntary commitments to make the world a better and more prosperous place. In order for Hawaii to continue to serve as a trailblazer in setting policies on sustainability and to serve as the global leader on issues of conservation and sustainability, your Committee finds that it is essential that the State demonstrate its full commitment to the goals set by the United Nations. This measure codifies all of the Sustainable Development Goals into state law.

However, your Committee agrees with the Office of Planning that it would be more appropriate to include the provisions of this measure as part of the Hawaii State Planning Act.

Accordingly, your Committee has amended this measure by:

- (1) Adding the provisions of this measure as a new section to chapter 226, Hawaii Revised Statutes, instead of 344, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2661, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2661, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
 Ayes, 5. Noes, none. Excused, none.

SCRep. 2408 Government Operations on S.B. No. 2604

The purpose and intent of this measure is to:

- (1) Require the Legislative Reference Bureau to develop a spreadsheet informing members of the Legislature on the status and content of all reports to be submitted to the Legislature as required by law or requested by legislative resolution; and
- (2) Require the Legislative Reference Bureau to inform the Legislature of all annual and other reports required by law to be submitted to the Legislature or requested by legislative resolution that were not timely submitted.

Your Committee received comments on this measure from the Legislative Reference Bureau.

Your Committee finds that every year laws are enacted that require new studies and audits of various state government departments or agencies. Despite the expenditure of valuable time and resources by various departments and agencies to conduct and complete these studies and audits the resultant report is often not widely reviewed by the Legislature or public and can sometimes go completely unnoticed despite the fact that these reports can contain valuable information. One reason for this lack of follow-up is that the sheer volume of reports required each year and the number of reporting entities involved in creating those reports makes it difficult for the Legislature to effectively track and review the required reports for purposes of accountability. Therefore, your Committee finds that it is necessary to establish a streamlined system through which the Legislature can be accurately informed about which departments, agencies, and offices are and are not meeting their reporting requirements. Moreover, your Committee finds that the Legislative Reference Bureau is already tasked with creating a report outlining which bills require the submission of a report to the Legislature and also serves as a repository of such reports. Accordingly, your Committee finds that the Legislative Reference Bureau is the appropriate entity to collect and manage more detailed information relating to required reports and the submission of those reports to the Legislature each session. To assist the Legislative Reference Bureau in effectively carrying out the proposals, your Committee also finds that reporting entities should also provide a copy of any report submitted to the Legislature to the Legislative Reference Bureau. Moreover, providing a copy of the submitted report to the Legislative Reference Bureau will allow the Bureau to record the date upon which the Legislature received the report, which the Bureau can then include in the proposed spreadsheet.

Your Committee has amended this measure by:

- (1) Requiring the Legislative Reference Bureau to include the due date for each report in the proposed spreadsheet; and
- (2) Requiring reporting entities to provide a copy of any report submitted to the Legislature to the Legislative Reference Bureau.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2604, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2604, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2409 Government Operations on S.B. No. 2603

The purpose and intent of this measure is to:

- (1) Require any report of a study or an audit enacted with a legislative appropriation and conducted by an executive department or agency, including the Hawaii Health Systems Corporation, and by the Legislative Reference Bureau, Auditor, Judiciary, or Office of Hawaiian Affairs, to be submitted to the Senate President, Speaker of the House of Representatives, chairs of the appropriate subject matter committee of each house, and the Legislative Reference Bureau library; and
- (2) Require a public hearing or informational briefing within one year of receipt of report, except if an extension is granted or the requirement is waived by the Senate President or Speaker of the House of Representatives.

Your Committee received testimony in support of this measure from Common Cause Hawaii. Your Committee received comments on this measure from the Department of Budget and Finance and Office of the Auditor.

Your Committee finds that every year laws and resolutions are enacted that require new studies and audits of various state government departments or agencies. Despite the expenditure of valuable time and resources by various departments and agencies to conduct and complete these studies and audits the resultant report is often not widely reviewed by the Legislature or public and can sometimes go completely unnoticed despite the fact that these reports can contain valuable information. Therefore, your Committee finds that mandating a public hearing or informational briefing which would facilitate discussion and analysis of the report findings and recommendations would better serve the public interest and satisfy legislative intent. However, your Committee recognizes that for certain types of audits, specifically financial and regularly occurring audits, there is already sufficient action being taken to keep members of the Legislature sufficiently informed.

Accordingly, your Committee has amended this measure by:

- (1) Adding language to require report of a study or an audit adopted by concurrent resolution to be submitted to the Senate President, Speaker of the House of Representatives, chairs of the appropriate subject matter committee of each house, and the Legislative Reference Bureau library; and
- (2) Exempting financial and other regularly occurring audits from the proposed submission requirements.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2603, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2603, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2410 Government Operations on S.B. No. 2390

The purpose and intent of this measure is to establish that the requirements of ethical public procurement and the procurement code of ethics established by the Procurement Policy Board apply to all parties to procurement contracts that are otherwise exempted from the procurement code.

Your Committee received testimony in support of this measure from the State Procurement Office and one individual.

Your Committee finds that ethical behavior in the procurement process is paramount for maintaining public confidence in government. Under existing law, certain parties to procurement contracts are exempt from the provisions of the procurement code, including the requirements of ethical public procurement and the procurement code of ethics. Your Committee finds that these existing exemptions leave open the possibility of unethical behavior relating to the negotiation, performance, or administration of certain procurement contracts. Therefore, your Committee finds that the procurement code should be amended to specify that notwithstanding any other exemptions from the requirements of the procurement code all parties to procurement contracts made pursuant to the code should meet the requirements of the ethical procurement and the procurement code of ethics to ensure proper and accountable government functioning.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2390 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 2411 Government Operations on S.B. No. 2600

The purpose and intent of this measure is to:

- (1) Require the listing of all joint contractors and subcontractors for construction contracts subject to the procurement code where the total estimated contract value is \$5,000,000 or higher; and
- (2) Require the listing of joint contractors and subcontractors in the trades of electrical, plumbing, asbestos, elevators, or boilermaker for construction contracts subject to the procurement code where the total estimated contract value is less than \$5,000,000.

Your Committee received testimony in support of this measure from the Department of Budget and Fiscal Services of the City and County of Honolulu; General Contractors Association of Hawaii; Ralph S. Inouye Co, Ltd.; S & M Sakamoto, Inc.; Alan Shintani, Inc.; Healy Tibbitts Builders, Inc.; Nordic PCL Construction, Inc.; Lindemann Construction Inc.; Hawaiian Dredging Construction Company, Inc.; Isemoto Contracting Co., Ltd.; LYZ, Inc.; Building Industry Association of Hawaii; and one individual. Your Committee received testimony in opposition to this measure from the Plumbing and Mechanical Contractors Association of Hawaii, Ironworkers Stabilization Fund, Electrical Contractor's Association of Hawai'i, and Subcontractors Association of Hawaii. Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that requiring the listing of joint contractors and subcontractors for all public works construction projects may result in unnecessary bid protests, award delays, and increased project costs paid by taxpayer dollars. Such circumstances often lead to inefficiencies in completing public work projects. Your Committee finds that this has been an ongoing problem that requires action. Therefore, your Committee supports placing limits on the public works construction bids that require joint contractor and subcontractor listings. However, your Committee understands the many concerns raised by those in the construction industry during testimony about the viability and effectiveness of the proposals. Accordingly, your Committee finds that conducting a pilot program through the University of Hawaii is an effective method of testing the workability of the measure's proposals.

Your Committee has amended this measure by:

- (1) Applying the subcontractor listing requirements to a two-year pilot program to be conducted by the University of Hawaii, rather than mandating subcontractor listing requirements for all public works contracts at this time;
- (2) Changing the \$5,000,000 threshold to \$3,000,000;
- (3) Requiring the University of Hawaii to report to the Legislature on the effectiveness of the pilot program prior to the Regular Session of 2020; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2600, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2600, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Rhoads). Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 2412 Government Operations on S.B. No. 2620

The purpose and intent of this measure is to repeal the \$10,000 maximum limit on a cash or protest bond that must be posted for a procurement award protest

Your Committee received testimony in support of this measure from the Department of Accounting and General Services, State Procurement Office, and one individual.

Your Committee finds that greater efficiency in the bid process for procurement contracts is necessary to eliminate government waste and increase government efficiency. Your Committee also finds that bid protests account for many of the delays in the bid process which can lead to increased expenses ultimately borne by taxpayers. Under existing law, the maximum amount that a party initiating a protest must provide in a cash or protest bond for contracts with an estimated value of \$1,000,000 or more is \$10,000. Your Committee finds that this cap is too low and therefore provides no deterrent for those who might unnecessarily delay a public works project by submitting a bid protest. Therefore, your Committee finds that the cap on a cash or protest bond for contracts with an estimated value of \$1,000,000 or more should be removed to increase the efficiency of the bid process for procurement contracts.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2620 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2413 Government Operations on S.B. No. 2597

The purpose and intent of this measure is to establish procedures for the custody, inventory, and care of protocol gifts received by legislators on behalf of the State or either house of the Legislature.

Your Committee received testimony in support of this measure from the Hawaii State Ethics Commission and Common Cause Hawaii.

Your Committee finds that there are no statutory guidelines for the treatment of protocol gifts accepted by legislators on behalf of the State or either house of the Legislature from government officials. Protocol gifts are often given to legislators by government officials from other jurisdictions as a token of goodwill or to strengthen international or national friendships. Failure to accept such a gift may cause embarrassment to the donor and the recipient. However, since these gifts were not accepted on the legislator's own behalf, these gifts are not required to be reported in the legislator's gifts disclosure statement. While many legislators keep an

inventory of protocol gifts they receive in accordance with rules adopted by the State Senate or State House of Representatives, your Committee finds that a uniform set of procedures regarding the custody, inventory, and maintenance of these protocol gifts is necessary to prevent unintended loss, misplacement, or improper maintenance.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2597 and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2414 Government Operations on S.B. No. 2602

The purpose and intent of this measure is to:

- (1) Require the State Procurement Policy Board to annually review and examine procurement contracts of at least two executive department, division, or agency contracts that are over \$50,000; and
- (2) Require the State Procurement Policy Board to randomly perform compliance examinations of government purchasing agencies and examinations of agencies selected based on a pattern of agency noncompliance.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that ensuring compliance with the state procurement code is essential for maintaining public confidence in government. Your Committee finds that one way to increase government accountability in the procurement process is for the State Procurement Policy Board to conduct annual and random reviews of government purchasing agencies. Your Committee further finds that the conduct of these types of reviews will allow the State Procurement Policy Board to more closely monitor agencies for compliance with the procurement code and serve as a means for consistently reviewing agencies' compliance with the code. Moreover, your Committee finds that these proposals will increase governmental compliance, efficiency, and transparency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2602 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 2415 Labor on S.B. No. 2165

The purpose and intent of this measure is to provide a taxpayer who hires an elderly individual a nonrefundable tax credit for the six-month period after the individual is initially hired by the taxpayer.

Your Committee received testimony in support of this measure from the Hawai'i State Association of Counties, Hawaii Disability Rights Center, Kauai County Councilmember Derek S.K. Kawakami, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that elderly individuals often have a wealth of work and life experiences that allow them to make significant contributions to employers. Additionally, older workers are often highly motivated and therefore may assist employers to increase customer satisfaction and product quality and control costs. Providing tax incentives to employers to hire elderly individuals will help to increase employment of Hawaii's aging population.

Your Committee has amended this measure by:

- (1) Stipulating that any amounts upon which any other tax credit or deduction is calculated under chapter 235, Hawaii Revised Statutes, are not qualified wages for purposes of the tax credit;
- (2) Clarifying that only the final successor employer who employed the person totally disabled during the taxable year may claim the credit and that the credit cannot be claimed multiple times for the same employee; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2165, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2165, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2416 Labor on S.B. No. 2361

The purpose and intent of this measure is to appropriate funds for fiscal biennium 2017-2019 for collective bargaining cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (14) and for their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that the negotiations for collective bargaining agreements for bargaining unit (14) are currently in progress. This measure provides a legislative vehicle that can be used if an agreement is reached or an arbitration award is issued prior to the end of the 2018 Regular Session.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2361, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2361, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2417 Labor on S.B. No. 2515

The purpose and intent of this measure is to repeal the authority for department heads to establish and abolish positions for special, research, and demonstration projects approved by the Governor.

Your Committee received testimony in opposition to this measure from the Office of the Governor; Department of Business, Economic Development, and Tourism; Department of Human Resources Development; Department of Land and Natural Resources; Department of Agriculture; Department of Human Services; Department of Budget and Finance; Department of Public Safety; Department of Transportation; Department of Health; and Office of Enterprise Technology Services.

Your Committee finds that executive departments and agencies currently have thousands of unfilled positions that are funded each year via the state budget. Executive department heads also have the ability to create positions, with approval of the Governor, outside of the legislative process. This measure abolishes the ability of department heads to create such positions.

Your Committee notes that at the hearing on this measure, the Department of Budget and Finance stated that passage of this measure would negatively impact four hundred fifty full-time equivalent positions. As such, they were requested to provide a break out of the four hundred fifty positions, by title, position, and department, that will be affected by this measure.

Your Committee has amended this measure by inserting an effective date of January 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2515, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2515, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2418 Labor on S.B. No. 2986

The purpose and intent of this measure is to require all teachers, principals, and school counselors to complete two hours of suicide prevention and education training each year.

Your Committee received testimony in support of this measure from the Department of Education, United States Army Hawaii Suicide Prevention Program, Hawai'i Psychological Association, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that suicide is the fourth leading cause of death for children between the ages of ten and fourteen, and is the leading cause of death for young people between the ages of fifteen and twenty-four. The percentage of teenagers in Hawaii who plan to commit suicide and the percentage of teenagers who attempt suicide are among the highest in the nation. Your Committee therefore finds that there is a need to increase the number of individuals in educational institutions, such as teachers, principals, and school counselors, who are trained to identify youth at risk of suicide and refer those children to appropriate services, counseling, and intervention. The Jason Flatt Act, first passed in Tennessee in 2007, requires all educators to complete youth suicide awareness and prevention training every year as part of their state licensure to teach. Your Committee finds that it is time for Hawaii to enact similar legislation.

Your Committee has amended this measure by:

- (1) Inserting a blank appropriation for the Department of Education to conduct suicide prevention and education training; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2986, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2986, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2419 Economic Development, Tourism, and Technology on S.B. No. 2611

The purpose and intent of this measure is to provide the Public Utilities Commission with explicit authority to regulate internet service providers.

Your Committee received testimony in support of this measure from the Department of Education. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs Division of Consumer Advocacy and Public Utilities Commission.

Your Committee finds that on December 14, 2017, the Federal Communications Commission repealed title II utility regulation of broadband internet service, also known as “net neutrality”. The repeal of “net neutrality” made citizens question the freedom and equality of online content, as internet service providers are now no longer required to treat all content equally. Your Committee believes that providing the Public Utilities Commission with the explicit authority to regulate internet service providers will encourage the equal treatment of content, without preference given to some content over others, preserving the independence of online content from interference or influence of internet service providers or others.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2611 and recommends that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

SCRep. 2420 Economic Development, Tourism, and Technology on S.B. No. 2504

The purpose and intent of this measure is to prohibit the Hawaii Tourism Authority from using monies in the tourism special fund dedicated for administrative expenses to market Hawaii as a tourism destination.

Your Committee received comments on this measure from the Hawaii Tourism Authority.

Your Committee finds that the law establishing allowable uses of the tourism special fund for administrative expenses needs to more clearly define what constitutes administrative expenses. Your Committee believes that marketing Hawaii as a tourist destination is what the Hawaii Tourism Authority is required to do in order to maintain the brand of Hawaii and to flourish the State’s economy but that this function falls outside of the scope of customary administrative functions. This measure explicitly states that marketing Hawaii as a tourist destination does not constitute an administrative expense, thereby clarifying allowable uses of the tourism special fund.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 1, 2050, to encourage further discussion;
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2504, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2504, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3; Ayes with Reservations (Galuteria). Noes, none. Excused, 2 (Baker, Thielen).

SCRep. 2421 Economic Development, Tourism, and Technology on S.B. No. 2868

The purpose and intent of this measure is to amend the definition of “gross rental” or “gross rental proceeds”, as used in the transient accommodations tax law, to provide that the transient accommodations tax for sales of transient accommodations that are arranged by transient accommodations brokers, travel agencies, and tour packagers shall be paid by transient accommodations brokers, travel agencies, and tour packagers and calculated based on the gross receipts received by those entities.

Your Committee received testimony in opposition to this measure from Expedia. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the imposition of the transient accommodations tax on transient accommodations sold through a travel agency or a tour packager can differ depending on if the transaction was made on a commissioned or noncommissioned basis. When transient accommodations are sold through a travel agency or a tour packager at a noncommissioned negotiated contract rate, the tax is only imposed on the operator based on its share of the proceeds because the actual room rate is not readily distinguishable from any mark up from the travel agent or tour packager. As such, under existing law, there is no transient accommodations tax imposed on the gross rental proceeds of the travel agency or tour packager. Your Committee finds that this is tax revenue that should be owed to the State but is lost due to lack of parity between a commissioned rate and a noncommissioned rate. Your Committee believes that this measure will collect tax revenue that is owed to the State from the share of proceeds generated by transient accommodations that were sold on a noncommissioned basis.

Your Committee has amended this measure, as suggested by the Department of Taxation, by:

- (1) Imposing the transient accommodations tax on each transient accommodations broker’s, travel agency’s, and tour packager’s share of the proceeds in noncommissioned transactions only;
- (2) Amending this measure to apply to taxable years beginning after December 31, 2018; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2868, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2868, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

SCRep. 2422 (Joint) Economic Development, Tourism, and Technology and Labor on S.B. No. 2669

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including goal eight, decent work and economic growth, of the seventeen United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committees received testimony in support of this measure from the Department of Agriculture, Department of Health, Department of Land and Natural Resources, Office of Planning, International Brotherhood of Electrical Workers Local Union 1260, Airport Concessionaries Committee, and Oahu Economic Development Board.

Your Committees find that Hawai'i has been a leader in conservation efforts for decades, through its commitment to environmental and sustainability policies, and that a priority of the Senate for the Regular Session of 2018 is to adopt the United Nations' Sustainable Development Goals at the state level. The seventeen Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. This measure codifies Sustainable Development Goal eight, decent work and economic growth, into state law.

Your Committees have amended this measure by:

- (1) Codifying Sustainable Development Goal eight into chapter 226, Hawaii Revised Statutes, instead of chapter 344, Hawaii Revised Statutes;
- (2) Inserting language to additionally codify the State of Hawaii's 2050 Sustainability Plan goals, which were established in 2008 to express the sustainable future of Hawaii; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2669, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2669, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Economic Development, Tourism, and Technology: Ayes, 5. Noes, none. Excused, none.
Labor: Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 2423 (Joint) Economic Development, Tourism, and Technology and Labor on S.B. No. 2960

The purpose and intent of this measure is to make the Chief Information Officer subject to the hiring and dismissal by the Information Technology Steering Committee, instead of the Governor, and removes the Chief Information Officer as the Chair of the Steering Committee.

Your Committees received testimony in support of this measure from the Office of Enterprise Technology Services and Hawaii Technology Development Corporation.

Your Committees find that frequent changes in leadership, which can affect policy directions, for information technology programs of the Executive Branch can be detrimental to the long-term and overall development of information technology in Hawaii. The National Association of State Chief Information Officers stated that the average tenure of a state Chief Information Officer is roughly twenty months because in most states the Chief Information Officer is appointed and often loses the position with a change in administration.

Your Committees recognize that from 2010 to 2016, Hawaii witnessed a high turnover rate in the Chief Information Officer position, and with each change came a new direction for the State's information technology plans. The constant change in direction was not beneficial to the State, as it did not allow for the effective adoption of technology, which resulted in numerous failed projects, wasting hundreds of millions of tax dollars. Your Committees believe that creating a stable Chief Information Officer position with an appointment term of six years will provide stability in the State's information technology plans.

Your Committees have amended this measure, as suggested by the Office of Enterprise Technology Services, by:

- (1) Deleting language that would have made the Chief Information Officer subject to the hiring and dismissal of the Information Technology Steering Committee instead of the Governor;
- (2) Administratively attaching the Information Technology Steering Committee to the Department of Accounting and General Services;
- (3) Requiring the members of the Steering Committee to be appointed by the Governor and confirmed by the Senate;
- (4) Decreasing the number of members on the Steering Committee and amending the requisite background of members and duties and other requirements of the Steering Committee;
- (5) Requiring the Chief Information Officer to be appointed by the Governor from a list of no less than three and no more than five nominees submitted by the Steering Committee, and added experience requirements for the Chief Information Officer;
- (6) Inserting a term limit of six years for the Steering Committee members and Chief Information Officer; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2960, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2960, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Thielen).

Labor: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2424 (Joint) Economic Development, Tourism, and Technology and Higher Education and Water and Land on S.B. No. 48

The purpose and intent of this measure is to transfer title, control, custody, and management authority of the land under the Manoa Innovation Center, including any buildings, structures, and appurtenances situated on the land, from the University of Hawaii to the Hawaii Technology Development Corporation.

Your Committees received testimony in support of this measure from the Hawaii Technology Development Corporation; Cardax, Inc.; Oahu Economic Development Board; Perfection Bra Fitting Salon; Collaborative Dispute Resolutions; HI FusionED; Bright Light Digital; Resurgo, LLC; Maui Business Brainstormers; Code for Hawaii; Litening Software, Inc.; Hawaii Evolutionary Development, LLC; Aloha Dollar Store; Global Virtual Studio Transmedia Accelerator; Impact Hub Honolulu; Farthest North Films and Wisdom Keeper Media; Jun Innovations; TEN TOMORROW; Dev League, Inc.; Kuehnle AgroSystems, Inc.; The Cut Collective; Honolulu Options Traders, LLC; Hawaii Food Manufacturers Association; Mana Up Labs, LLC; Diamond Bakery; Bit Link Solutions; and three individuals. Your Committees received testimony in opposition to this measure from the Office of the Governor, University of Hawai'i, and South Maui Learning Ohana, Inc. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Spectrum Photonics; and Chamber of Commerce Hawaii.

According to testimony received by your Committees, the University of Hawaii provided notice to the Hawaii Technology Development Corporation that the University intends to terminate the lease for the Manoa Innovation Center, effective June 30, 2018. The rent revenue generated through the incubation program at the Manoa Innovation Center funds half of the Hawaii Technology Development Corporation's staff salaries and all of the Development Corporation's discretionary program funding. Your Committees find that the programs of the Hawaii Technology Development Corporation have supported various small businesses throughout Hawaii, with one hundred fifty company clients reporting \$389,000,000 of revenue. While your Committees recognize that the University of Hawaii has been gracious by allowing the Hawaii Technology Development Corporation to continue to use the Manoa Innovation Center rent-free even after the lease ended in April of 2015, your Committees find that depriving the Hawaii Technology Development Corporation of half its funding will be highly detrimental to a large number of businesses and the Development Corporation.

Your Committees have amended this measure by inserting an effective date of January 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology, Higher Education, and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 48, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 48, S.D. 2, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 4; Ayes with Reservations (Thielen). Noes, none. Excused, 1 (Baker).

Higher Education: Ayes, 4; Ayes with Reservations (Keith-Agaran, Kim). Noes, none. Excused, 1 (Kidani).

Water and Land: Ayes, 3; Ayes with Reservations (Thielen). Noes, none. Excused, 2 (Gabbard, Inouye).

SCRep. 2425 Housing on S.B. No. 2943

The purpose and intent of this measure is to:

- (1) Authorize the Hawaii Housing Finance and Development Corporation, at the request of the Hawaii Community Development Authority, to establish and operate transit-oriented development zone infrastructure subaccounts within the dwelling unit revolving fund for the benefit of transit-oriented development zone improvement projects within a transit-oriented development zone;
- (2) Provide a definition of "transit-oriented development zone" that includes parcels of land within a one-half mile radius around a proposed or existing fixed transit station as determined by the Hawaii Community Development Authority;
- (3) Amend the composition of the Hawaii Community Development Authority to include the Director of the Office of Planning and Executive Director of the Hawaii Housing Finance and Development Corporation as ex officio, voting members;
- (4) Amend the organization and subject matter jurisdiction of the Hawaii Community Development Authority to include matters affecting transit-oriented development zones and be composed of certain members, including the Director of the Office of Planning and Executive Director of the Hawaii Housing Finance and Development Corporation as ex officio voting members, and the Director of Planning and Permitting of the relevant county to participate as an ex officio nonvoting member;
- (5) Require the Hawaii Community Development Authority to develop a transit-oriented development zone improvement program to foster infrastructure development by strategically investing in public facilities;
- (6) Require the Executive Director of the Hawaii Housing Finance and Development Corporation, in collaboration with the Executive Director of the Hawaii Community Development Authority, to:

- (A) Initially establish two transit-oriented development zones: one zone containing the Leeward Community College and Pearl Highlands transit stations, and the second zone containing the Aloha Stadium transit station; and
- (B) Conduct a study examining the current infrastructure of the zones and the requirements necessary to upgrade the infrastructure to facilitate future transit-oriented development;
- (7) Appropriate funds out of the dwelling unit revolving fund to conduct the infrastructure study of the two initially established transit-oriented development zones; and
- (8) Appropriate funds to the Hawaii Community Development Authority for the hiring of one full-time equivalent (1.0 FTE) temporary position to maintain staff necessary to develop and manage the transit-oriented development zone improvement program.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Office of Planning, and Hawaii Community Development Authority. Your Committee received testimony in opposition to this measure from the Department of Planning and Permitting of the City and County of Honolulu. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that the lack of coordination and financing of infrastructure improvements, including public facilities, in planned growth areas, such as along the Honolulu rail corridor, is a major impediment to realizing the potential of transit-oriented development in meeting housing demands and creating vibrant and sustainable mixed-use communities. Your Committee believes that the State must take a proactive role in investing in critical infrastructure necessary to overcome barriers to transit-oriented development, particularly for regional public facilities, such as roads, sewer, and storm water systems. The timely investment in these system improvements is necessary to support and catalyze public and private investments in the development and redevelopment of areas proximate to proposed transit stations. This measure provides a delivery system for the strategic investment of state funds to construct and delivery necessary infrastructure improvements in support of state transit-oriented development projects in transit-oriented development designated areas.

Your Committee notes the concerns raised in testimony that the transit-oriented development zones containing parcels of land within a one-half mile radius around a proposed or existing fixed transit station as determined by the Hawaii Community Development Authority referred to in this measure may conflict with the transit-oriented development zones established pursuant to county plans. Your Committee believes that further clarification is necessary to ensure that the focus of the projects and zone designation authorized to the Hawaii Community Development Authority under this measure are for certain infrastructure improvements within a county-designated transit-oriented development zone.

Your Committee further notes the concerns raised by the Department of Planning and Permitting of the City and County of Honolulu that although the Director of Planning and Permitting of the relevant county serves as a member of the Hawaii Community Development Authority, the Director serves as an ex officio, nonvoting member. Thus, in expanding the Hawaii Community Development Authority's subject matter jurisdiction to include matters affecting transit-oriented development zones, the Department contends that it is critical that the planning and permitting directors, who are responsible for building and maintaining infrastructure systems, have a formal decision making roles in planning, prioritizing, and funding infrastructure improvements.

Accordingly, your Committee has amended this measure by:

- (1) Replacing references to transit-oriented development zone improvements with transit-oriented development infrastructure improvement zones, where applicable, throughout the entire measure to avoid a conflict with the county designated transit-oriented development zone;
- (2) Changing the name of the new subaccount from transit-oriented development zone infrastructure subaccount to transit-oriented development infrastructure improvement zone subaccount for the purposes of clarity and consistency;
- (3) Clarifying that the Hawaii Housing Finance and Development Corporation is authorized to expend revenues in the transit-oriented development infrastructure improvement zone subaccount to make grants and loans to state agencies or counties and loans to private developers for the costs of improvements in transit-oriented development infrastructure improvement zones;
- (4) Clarifying that a transit-oriented development infrastructure improvement zone includes parcels of land:
 - (A) Containing infrastructure;
 - (B) Located in a county's transit-oriented development zone within a one-half mile radius around a proposed or existing fixed transit station; and
 - (C) Determined by the Hawaii Community Development Authority by taking into account certain factors;
- (5) Removing the Director of the Office of Planning and Executive Director of the Hawaii Housing Finance and Development Corporation from membership of the general board of the Hawaii Community Development Authority and adding these two officials as ex officio, voting members to the subcommittee that is responsible for matters affecting transit-oriented development zones only;
- (6) Allowing the Director of Planning and Permitting of the relevant county to serve as an ex officio, voting member of the subcommittee of the Hawaii Community Development Authority that is responsible for matters affecting transit-oriented development zones;
- (7) Clarifying that only the Hawaii Community Development Authority, rather than in collaboration with the Hawaii Housing Finance and Development Corporation, is responsible for initially establishing the transit-oriented development infrastructure improvement zones;

- (8) Removing the zone that contains the Leeward Community College and Pearl Highlands transit stations as a zone to be initially established as a transit-oriented development infrastructure improvement zone for study;
- (9) Adding that the Executive Director of the Hawaii Housing Finance and Development Corporation shall collaborate with the Hawaii Interagency Council for Transit-Oriented Development, in addition to the Executive Director of the Hawaii Community Development Authority, to conduct the infrastructure improvement study;
- (10) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2943, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2943, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 2426 (Joint/Majority) Government Operations and Judiciary and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2909

The purpose and intent of this measure is to:

- (1) Establish an enforcement division in the Department of the Attorney General;
- (2) Transfer to the Department of the Attorney General enforcement division the law enforcement activities of the Department of Land and Natural Resources, Division of Conservation and Resources Enforcement; the Department of Public Safety state law enforcement officers and the narcotics enforcement division; and the Department of Transportation harbors division; and
- (3) Repeal the sunset of Act 116, Session Laws of Hawaii 2013, as amended by section 4 of Act 101, Session Laws of Hawaii 2015.

Your Committees received testimony in support of this measure from the Hawaii Government Employees Association and five individuals. Your Committees received testimony in opposition to this measure from the Department of the Attorney General, Department of Land and Natural Resources, The Nature Conservancy of Hawai'i, Young Progressives Demanding Action, and one individual. Your Committees received comments on this measure from the Department of Public Safety.

Your Committees find that the distribution of duties between multiple state agencies for the purposes of law enforcement is unnecessary and inefficient. Under existing law, the Departments of Land and Natural Resources, Public Safety, and Transportation all have independent law enforcement duties. However, your Committees find that these agencies all engage in some law enforcement activities. Your Committees find that consolidating all of the State's law enforcement duties under the Department of the Attorney General will result in better outcomes and increase the efficiency of law enforcement across the State.

However, your Committees recognize that this measure proposes a major organizational change to law enforcement across the State and that many issues including departmental infrastructure, funding, jurisdiction, responsibilities, training, and others, need to be vetted and properly addressed. Therefore, your Committees recommend that if your Committee on Ways and Means decides to hear this measure, that your Committee on Ways and Means investigate the issues surrounding such a reorganization further.

Your Committees have amended this measure by:

- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations, Judiciary, and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2909, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2909, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Government Operations: Ayes, 4; Ayes with Reservations (Ruderman). Noes, none. Excused, 1 (Galuteria).
Judiciary: Ayes, 3. Noes, 1 (Thielen). Excused, 1 (Gabbard).
Public Safety, Intergovernmental, and Military Affairs: Ayes, 3; Ayes with Reservations (Ihara). Noes, 1 (Thielen). Excused, 1 (Wakai).

SCRep. 2427 (Joint) Government Operations and Agriculture and Environment and Commerce, Consumer Protection, and Health on S.B. No. 2337

The purpose and intent of this measure is to:

- (1) Require that all state and county agency contractors that dispose of liquid or solid waste to provide a receipt that the waste was received and disposed of at a licensed facility before full payment is made for those contractual services;
- (2) Allow for partial payment to be made to all state and county agency contractors that dispose of liquid or solid waste without a receipt and prior to any dumping of waste; and
- (3) Prohibit alteration or falsification of receipts by all state and county agency contractors that dispose of liquid or solid waste.

Your Committees received testimony in support of this measure from the Hawaiian Civic Club of Honolulu; Kokua Hawaii Foundation; Ho'omana Pono, LLC; League of Women Voters of Hawai'i; and four individuals. Your Committees received comments on this measure from the General Contractors Association of Hawaii and one individual.

Your Committees find that construction projects funded by public monies produce a huge amount of construction waste. Existing law prohibits the disposal of more than one cubic yard of solid waste anywhere other than a permitted solid waste management system, with certain exceptions. Despite this prohibition, your Committees find that construction waste is sometimes disposed at sites other than licensed waste management facilities and other permitted solid waste management systems. Further, your Committees find that unpermitted dumps are often difficult to detect. Therefore, your Committees find that the statement for services performed in a public works contract should include a receipt from a licensed waste management facility showing that the waste was properly received and lawfully disposed of in an appropriate, licensed waste facility before full payment is made.

However, your Committees note a variety of concerns raised during testimony. Your Committees acknowledge the difficulty in catching those who engage in illegal dumping and that further discussion is needed to determine enforcement mechanisms that might help prevent illegal dumping. In addition, your Committees acknowledge the need for the appropriate departments and agencies to work with the construction industry to find ways to reduce the overall amount of waste being dumped and to find ways to conserve more used materials as opposed to dumping them. Your Committees suggest that if your Committee on Ways and Means decides to hear this measure, that your Committee on Ways and Means investigate these issues further.

As affirmed by the records of votes of the members of your Committees on Government Operations, Agriculture and Environment, and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2337 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Government Operations: Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Rhoads).

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Nishihara, Rhoads).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Espero, Tokuda).

SCRep. 2428 Government Operations on S.B. No. 2914

The purpose and intent of this measure is to require any government body that enters into a contract that is exempt from the state procurement code pursuant to section 103D-102(b), Hawaii Revised Statutes, to report that contract to the State Procurement Office and Legislature.

Your Committee received testimony in support of this measure from the State Procurement Office and one individual.

Your Committee finds that transparency and accountability in the procurement process is essential for establishing and maintaining public trust in government and for ensuring efficiency and reduced waste in governmental operations. Existing law exempts certain types of contracts by governmental bodies, such as contracts for procurement of services of an attorney and when procurement by competitive means would be impractical or not advantageous to the State, from the requirements of the procurement code. However, your Committee finds that even for those contracts where adherence to the procurement process would be impractical or otherwise unnecessary there should still exist transparency and oversight of those contracts. In addition, your Committee also notes testimony from the State Procurement Office that existing administrative rules already require that the Procurement Office receive information about all state contracts exempted from the procurement code. However, your Committee finds that very few agencies across the State are abiding by the requirements that are already in place. Therefore, your Committee finds that it is necessary to codify in the procurement code the requirement that any government body entering into a contract to which the procurement code does not apply report that contract to the State Procurement Office and Legislature.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2914 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2429 (Joint) Agriculture and Environment and Commerce, Consumer Protection, and Health on S.B. No. 3095

The purpose and intent of this measure is to protect the State's children, elderly, and vulnerable individuals from the unintended impacts of large-scale agricultural pesticide use by:

- (1) Making the reporting guidelines of the Kauai agricultural good neighbor program mandatory for large-scale, outdoor commercial agricultural operations across the State;
- (2) Establishing disclosure and public notification requirements for outdoor applications of pesticides in, as well as in proximity to, schools, healthcare facilities, childcare and eldercare facilities, and other sensitive areas; and
- (3) Establishing a pilot program for vegetative buffer zones, as recommended by the Joint Fact Finding Study Group, around selected schools within the State.

Your Committees received testimony in support of this measure from the Department of Education; Beyond Pesticides; Hawai'i Center for Food Safety; Pacific Biodiesel Technologies; Hawai'i Children's Action Network; Sierra Club of Hawai'i; Hawaii State Teachers Association; Civic Education Council; IMUAlliance; Americans for Democratic Action Hawaii; Pono Hawai'i Initiative; Hawaii Farmers Union United Waianae Coast; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Hawaii Alliance for Progressive Action; Hawaii Nurses Association; Kihei Community Association; 'Ohana o Kaua'i; Kokua Hawaii Foundation; Ka Ohana O Na Pua; Haiku Aina Permaculture Initiative; GMO Free Kaua'i; StressFreeSouls; Kalaheo Yoga; EcoTipping Points Project; We Are One, Inc.; Kuaiwi Farm; Respiratory and Environmental Disabilities Association of Hawaii; Young Progressives Demanding Action; Carbon Drawdown Solution; and two hundred eighty-seven individuals. Your Committees received

testimony in opposition to this measure from the Department of Agriculture; Hawai'i Farm Bureau; Monsanto Hawaii; Alexander & Baldwin; Hawaii Crop Improvement Association; Western Plant Health Association; CropLife America; Larry Jefts Farms, LLC; Hawaii Cattlemen's Council, Inc.; and Maui County Farm Bureau.

Your Committees find that the County of Kauai passed Ordinance 960, relating to pesticides and genetically modified organisms, in 2013, which was overturned in federal court in 2014. The ordinance contained a provision to create a Joint Fact Finding Group to help address key environmental and public health questions related to large-scale commercial agriculture entities using pesticides and genetically modified organisms on the island of Kauai. When the ordinance was struck down by the court, the Department of Agriculture and the Kauai County Office of the Mayor contracted an independent public policy group, The ACCORD 3.0 Network, to facilitate the Joint Fact Finding Group project. The group was charged with gathering accurate information on the lands used by the seed companies and Kauai Coffee, their pesticide usage, and evidence of any possible adverse health and environmental impacts. The Joint Fact Finding Group issued its findings and recommendations on May 25, 2016, in a report titled, *Pesticide Use by Large Agribusinesses on Kaua'i*, in which it made recommendations to expand the Kauai Good Neighbor Program and establish a consistent buffer zone policy and use "green screens".

Your Committees further find that many residents in the State are very concerned about the long-term health effects and potential impacts of pesticide drift, especially as the number of large-scale, outdoor, commercial agricultural operations in the State continues to increase. Your Committees support efforts to increase common sense regulation of pesticide use in the State and are aware that pesticide use is necessary for the modern-day farmer to keep pests at bay. Your Committees do not wish to impede farmers who are working hard to increase local food production; however, your Committees believe that protecting Hawaii's youth in highly sensitive areas, like schools, from the potential negative effects of long-term pesticide is of the utmost importance.

Your Committees have amended this measure by:

- (1) Deleting language that would have made the reporting guidelines of the Kauai agricultural good neighbor program mandatory for large-scale, outdoor commercial agricultural operations across the State;
- (2) Deleting language that would have established disclosure and public notification requirements for outdoor applications of pesticides in proximity to sensitive areas;
- (3) Deleting unnecessary definitions;
- (4) Expanding the pilot program for vegetative buffers around schools to include ten schools within close proximity to one or more candidate pilot farms, to be designated within six months of the effective date; prohibiting the outdoor application of only restricted use pesticides, rather than all pesticides, within a buffer zone; and making various conforming or related amendments, including:
 - (A) Defining "candidate pilot farm" as any commercial agricultural entity that the Department of Agriculture (Department) determines to be among the top five agricultural users of restricted use pesticides on each of the islands of Oahu, Kauai, Maui, Hawaii, and Molokai;
 - (B) Replacing references to "commercial agricultural entity" with "pilot farm";
 - (C) Requiring the Department to establish minimum distances from the ten designated schools within which a candidate pilot farm shall not apply restricted use pesticides;
 - (D) Requiring continuous vegetative buffer zones to be maintained by the pilot farm for at least one year, or the duration of the pilot program, whichever is longer;
 - (E) Requiring the Department to issue a single use exemption if it determines that the pest situation poses an immediate threat to the vegetation growing within the vegetative buffer zone or severe loss to the pilot farm; and
 - (F) Requiring that, for issuance of a single use exemption, acceptable measures will be implemented to minimize the potential for pesticide drift from the application;
- (5) Deleting language that would have provided for penalties and citizen suits;
- (6) Deleting language that would have given authority to regulate pesticide disclosure, notification, and use, including the establishment of buffer zones against pesticides by local government;
- (7) Deleting references to rule making;
- (8) Inserting language to require the Department to develop and implement a pesticide drift monitoring study to evaluate pesticide drift at three schools in the vegetative buffer zones pilot program and report its findings to the Legislature no later than twenty days prior to the convening of the Regular Session of 2020;
- (9) Appropriating funds for the pesticide drift monitoring study;
- (10) Amending section 1 to reflect its amended purpose;
- (11) Changing the effective date to July 1, 2018; and
- (12) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3095, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3095, S.D. 1, and be referred to your Committees on Education and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4; Ayes with Reservations (Ruderman). Noes, none. Excused, 1 (Nishihara).

Commerce, Consumer Protection, and Health: Ayes, 6; Ayes with Reservations (Ihara, Ruderman). Noes, none. Excused, 1 (Nishihara).

SCRep. 2430 (Joint) Human Services and Judiciary on S.B. No. 2395

The purpose and intent of this measure is to:

- (1) Allow the Department of Human Services to establish or contract with a victim service provider to operate and manage a sex trafficking emergency shelter;
- (2) Provide general excise tax and fee exemptions for the victim service provider of the sex trafficking emergency shelter; and
- (3) Appropriate funds for the Department to establish or contract with the victim service provider to operate and manage a sex trafficking emergency shelter.

Your Committees received testimony in support of this measure from UNITE, IMUAlliance, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and three individuals. Your Committees received comments on this measure from the Department of Human Services, Department of Taxation, and Hawaii Youth Services Network.

Your Committees find that Hawaii is a highly sought after tourist destination and lucrative place for national and international events, which can create a demand for prostitution, which sometimes involves sex trafficking. Your Committees further find that sixty percent of children being sex trafficked are under the age of sixteen years, with the average age being thirteen. The establishment of an emergency shelter will provide these individuals necessary assistance and support.

Your Committees have amended this measure by:

- (1) Inserting language requiring a sex trafficking emergency shelter established pursuant to this measure to comply with any federal or state licensing requirements for residential facilities for minors;
- (2) Amending the definition of "victim" for purposes of clarity;
- (3) Making the general excise tax exemption effective on January 1, 2019, to allow sufficient time for the Department of Taxation to make necessary form and computer system changes; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2395, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2395, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3. Noes, none. Excused, 2 (Tokuda, Wakai).

Judiciary: Ayes, 3. Noes, none. Excused, 2 (Gabbard, Rhoads).

SCRep. 2431 (Joint/Majority) Human Services and Housing on S.B. No. 2501

The purpose and intent of this measure is to require and appropriate funds to the Department of Human Services to establish safe zones where homeless persons may reside.

Your Committees received testimony in support of this measure from IMUAlliance and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii. Your Committees received testimony in opposition to this measure from the Governor's Coordinator on Homelessness, Department of Land and Natural Resources, and one individual.

Your Committees find that safe zones are one of several housing alternatives that policymakers, in conjunction with communities in the State, are exploring to address homelessness in Hawaii. Your Committees further find that due to economic constraints and the uncertain construction timelines for new housing units, homeless individuals and families still need other housing options. In addition, some individuals and families may choose to live on the street or in public spaces and refuse outreach and other services provided to them. Your Committees recognize that safe zones may provide an alternative for these individuals and families.

Your Committees encourage the Department of Human Services to establish interim rules to expedite the process of establishing safe zones throughout the State, should this measure be enacted.

Your Committees have amended this measure by:

- (1) Including domes among the types of facilities or dwelling units that may be permitted within safe zones;
- (2) Inserting a sunset date of June 30, 2028; and
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2501, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2501, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 2. Noes, 1 (Harimoto). Excused, 2 (Tokuda, Wakai).

Housing: Ayes, 2. Noes, 1 (Harimoto). Excused, 2 (Kahale, Nishihara).

SCRep. 2432 Human Services on S.B. No. 2792

The purpose and intent of this measure is to:

- (1) Repeal the limitation on criminal history record checks of household members who provide care for a child whose family receives child care subsidies from the Department of Human Services in a regulated child care setting;
- (2) Clarify the release of investigation information to the public;
- (3) Clarify a child care licensing program's duty to share information it receives, and cooperate with child protective services and law enforcement, when the program receives a report of death or injury of a child; and
- (4) Clarify that the Department may take administrative action, judicial action, or both, to enforce child care licensing provisions and increase penalties by making them apply on a daily basis.

Your Committee received testimony in support of this measure from the Department of Human Services and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Civil Beat Law Center for the Public Interest.

Your Committee finds that child care providers play an important role in the safety and well-being of a child. However, recent events involving injuries and death have revealed the need for the Department of Human Services to enforce transparent measures for the safety of children in certain child care settings. This measure will ensure that necessary provisions are in place to protect the health, safety, and welfare of children and reassurance to their families.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2792, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2792, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Chang, Wakai).

SCRep. 2433 Human Services on S.B. No. 2790

The purpose and intent of this measure is to amend the Child Protective Act, chapter 587A, Hawaii Revised Statutes (HRS), by repealing the existing section 587A-3, HRS, guiding principles for children in foster care, and incorporating that language into a new section, rights of children in foster care, which aligns with federal law and provides increased support and guidance for children in foster care.

Your Committee received testimony in support of this measure from the Judiciary, Department of Human Services, Department of the Attorney General, Department of Labor and Industrial Relations, Department of Education, EPIC Ohana, Hale Kipa, Hawaii Children's Action Network, Catholic Charities Hawai'i, Hawaii Youth Services Network, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and twenty-six individuals.

Your Committee finds that, in 2015, 2,386 children were in foster care in the State. Your Committee further finds that increased support and guidance for the care of the children and youth in foster care can facilitate their continued development, well-being, and permanency options. According to the Department of Human Services, the new section proposed by this measure is based on section 587A-3, HRS, and aligns with Public Law 113-183, which requires the rights of a child age fourteen and older regarding education, health, visitation, and court participation to be documented in the child's case plan and requires a signed acknowledgment of the provision of these rights. The new section proposed by this measure also includes additional rights, such as culturally responsive services, requests for an attorney, and transportation to attend the school of origin. Your Committee finds that with increased support and guidance, children and youth in foster care have additional positive outcomes which include decreases in homelessness, dependency on public welfare, drug dependency, and incarceration. The rights of foster care children are a priority, and this measure provides these individuals additional protections and rights to lead successful lives.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2790, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2790, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2434 (Majority) Commerce, Consumer Protection, and Health on S.B. No. 2649

The purpose and intent of this measure is to require open deliberation of the adjudicatory functions of the Public Utilities Commission.

Your Committee received testimony in opposition to this measure from the Public Utilities Commission. Your Committee received comments on this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs and Office of Information Practices.

Your Committee finds that the State's Sunshine Law, codified as part I of chapter 92, Hawaii Revised Statutes, contains an exemption for a board's adjudicatory functions, except for the Land Use Commission, whose adjudicatory functions remain subject to the open meeting requirements of the Sunshine Law. Under existing law, this Sunshine Law exemption covers the Public Utilities

Commission when it hears contested cases, or otherwise serves in a quasi-judicial role. Your Committee notes that the Public Utilities Commission also has non-adjudicatory functions and that those non-adjudicatory functions are properly subject to the Sunshine Law.

Your Committee further finds that this measure requires open deliberation of the adjudicatory functions of the Public Utilities Commission. However, it is not your Committee's intent to require the Public Utilities Commission to follow the Sunshine Law for its quasi-judicial hearings and its general adjudicatory functions, as your Committee has heard concerns that this requirement could increase the Commission's administrative workload and costs. Accordingly, a clarifying amendment to this measure is needed.

Your Committee also notes that it is appropriate to place this clarifying amendment within chapter 269, Hawaii Revised Statutes, relating to the Public Utilities Commission, rather than within the Sunshine Law. This will avoid any potential inference that because the non-adjudicatory functions of one board -- the Public Utilities Commission -- are specifically made subject to the Sunshine Law, other boards' non-adjudicatory functions would therefore be considered exempt from the Sunshine Law, as such an inference would not reflect your Committee's intent.

Your Committee has amended this measure by:

- (1) Deleting language that amended the State's Sunshine Law to require open deliberation of the adjudicatory functions of the Public Utilities Commission;
- (2) Specifying within chapter 269, Hawaii Revised Statutes, that the adjudicatory functions of the Public Utilities Commission are exempt from the Sunshine Law, while the Commission's non-adjudicatory functions are subject to the Sunshine Law; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2649, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2649, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Ihara). Noes, 1 (Ruderman). Excused, 2 (Espero, Nishihara).

SCRep. 2435 (Majority) Commerce, Consumer Protection, and Health on S.B. No. 2648

The purpose and intent of this measure is to make various updates to the structure and operations of the Public Utilities Commission (Commission) to increase efficiency and effectiveness, including:

- (1) Establishing guiding principles;
- (2) Establishing docket review and decision-making processes;
- (3) Permitting teleconference and videoconference abilities;
- (4) Specifying senior staff members who must file public financial disclosures;
- (5) Increasing the number of commissioners and updating the composition of the Commission;
- (6) Specifying training requirements for commissioners;
- (7) Clarifying commissioners' ability to appoint and employ staff;
- (8) Clarifying the roles of the executive officer and chief counsel;
- (9) Permitting neighbor island members to receive per diem compensation and compensation for travel expenses; and
- (10) Requiring the Commission to report to the Legislature regarding certain staff duties.

Your Committee received testimony in support of this measure from Ulupono Initiative. Your Committee received testimony in opposition to this measure from the Public Utilities Commission. Your Committee received comments on this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs and Hawaii State Ethics Commission.

Your Committee finds that the Commission has several long- and short-term goals that reflect the Commission's increased work complexity and program responsibilities, which go beyond the Commission's traditional regulatory role. Due to the Commission's increasing responsibilities and the evolution of the regulatory landscape, it is essential that the structure and operations of the Commission be updated to enable the Commission to operate more efficiently and effectively, consistent with best practices. This measure therefore updates the structure and operation of the Commission to increase efficiency and effectiveness.

Your Committee further finds that pursuant to Act 198, Session Laws of Hawaii 2017 (Act 198), the Auditor was requested to conduct a management audit of the Commission to evaluate the efficiency and effectiveness of the Commission and aid in the Commission's transition to a better functioning entity. However, due to unforeseen circumstances beyond the control of the Office of the Auditor, the Auditor's report pursuant to Act 198 has been delayed. Accordingly, your Committee notes that this measure remains a work in progress and additional discussion or amendments to this measure may be needed, once the Auditor's report is released.

Finally, your Committee notes that Ulupono Initiative offered suggested amendments to this measure; these amendments may warrant additional consideration by your Committee on Ways and Means as this measure moves through the legislative process.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2648, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2648, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Chang). Noes, 2 (Ihara, Ruderman). Excused, 2 (Espero, Nishihara).

SCRep. 2436 (Joint) Transportation and Energy and Commerce, Consumer Protection, and Health on S.B. No. 2752

The purpose and intent of this measure is to encourage state agencies and departments to preform energy efficiency retrofits by providing low-cost financing for energy efficiency measures through a sub-fund under the green energy market securitization loan fund that will be used as a revolving line of credit.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Green Infrastructure Authority; Ulupono Initiative; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs Division of the Consumer Advocate, Tax Foundation of Hawaii, and Life of the Land.

Your Committees find that the government is a major consumer of electricity, and that a large part of the State's energy efficiency savings can be found in the government sector. Your Committees note that there is already financing for installing energy-efficient lighting and other energy efficiency measures at public schools through the Hawaii green infrastructure special fund. Your Committees received testimony from the Department of Commerce and Consumer Affairs expressing concern that this measure does not ensure that the energy efficiency measures are cost-effective, nor does it ensure that there will be no adverse impacts on the Hawaii green infrastructure special fund, general funds, or other electricity consumers.

Accordingly, your Committees have amended this measure by:

- (1) Requiring that the energy efficiency measures be cost-effective;
- (2) Requiring that the loans for the energy efficiency measures not adversely affect the Hawaii green infrastructure special fund, general funds, and other electricity consumers; and
- (3) Making technical, nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2752, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2752, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 1 (English).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 2437 Transportation and Energy on S.B. No. 2476

The purpose and intent of this measure is to change the motor vehicle inspection safety check from an annual requirement to a biennial requirement for motor vehicles that have a model age of less than ten years of age and doubles the motor vehicle inspection safety check for the two-year motor vehicle inspection safety check.

Your Committee received testimony in support of this measure from two individuals. Your Committee received testimony in opposition to this measure from the Department of Transportation and two individuals.

Your Committee finds that annual motor vehicle safety inspections have become an undue hardship on Hawaii's residents. However, your Committee received testimony from the Department of Transportation that requiring a safety check every two years as opposed to every year could endanger people on the roadways. The Department of Transportation testified that it is working on administrative rules that are aimed at reducing the hardship related to safety inspections. Your Committee finds that once the administrative rules are adopted by the Department of Transportation consideration should be given to codifying some of these rules in the Hawaii Revised Statutes. Your Committee requests that your Committee on Ways and Means further examine the Department of Transportation's proposed administrative rules that:

- (1) Provide the Department of Transportation with the authority to flag vehicles when there is evidence that the vehicle was not inspected in accordance with the rules;
- (2) Require a test for moped inspector applicants;
- (3) Prohibit inspectors from modifying vehicles to put it out of conformance with safety inspection rules;
- (4) Examine the fees associated with the safety inspections;
- (5) Provide additional information on the documents issued to vehicle owners when the vehicle fails inspection; and
- (6) Allow electronic proof of insurance for an inspection;

and determine if these proposed administrative rules should be codified in statute rather than go through the administrative process.

As such and to encourage further discussion on this issue, your Committee has amended this measure by deleting its contents and inserting language to require the Department of Transportation to adopt rules for certifying vehicles that have undergone a safety inspection.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2476, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2476, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2438 (Joint) Transportation and Energy and Judiciary on S.B. No. 2619

The purpose and intent of this measure is to replace the criminal penalties for certain airport offenses with civil penalties.

Your Committees received testimony in support of this measure from the Department of Transportation, General Aviation Council of Hawaii, and four individuals. Your Committees received comments on this measure from the Aircraft Owners and Pilots Association and one individual.

Your Committees find that the punishment for certain airport offenses are excessive and disproportionate compared to the seriousness of the offense. Infractions that would otherwise be considered no more severe than a civil violation if it occurred at any location in the State other than an airport are charged as full criminal misdemeanor offenses because the infraction occurred at an airport. The criminal misdemeanor offense could mean the loss of security clearance or a professional license, sometimes for life. Your Committees received testimony noting that Hawaii is the only state that issues citations for hangar infractions that result in a permanent criminal record.

While there was broad support for the intent of this measure, your Committees heard concerns from the Aircraft Owners and Pilots Association regarding the need to remove all criminal penalties from this measure and to narrow the types of violations subject to a civil penalty.

Accordingly, your Committees have amended this measure by:

- (1) Inserting language to specify that violating Federal Aviation Administration acceptable hangar use practices constitutes a violation subject to a civil penalty;
- (2) Removing language making violations related to airport security measures or requirements a misdemeanor;
- (3) Removing the power of the Governor to modify the provisions of this measure, as prescribed in section 3; and
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2619, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2619, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Inouye).

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 2439 Transportation and Energy on S.B. No. 3001

The purpose and intent of this measure is to establish an alternative research and development pilot program to promote the research and development of alternative energy in Hawaii by providing matching grants to businesses that meet certain criteria and appropriate monies for the grants.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii; Navatek; Makai Ocean Engineering, Inc.; Hawaii Technology Development Corporation; and six individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that alternative energy and energy efficiency technologies are important components of Hawaii's goal of one hundred percent clean energy by 2045, and providing grants will promote the research and development of alternative energy. Additionally, this measure will promote technology and innovation jobs, creating economic growth and helping the State's tech industry compete and win more federal funds for technology development. Your Committee noted that one year might not be sufficient time to support businesses conducting research and development in alternative energy, even as a pilot program.

Thus, your Committee has amended this measure by extending the end date for the pilot program and the revolving funds that provide funding for the pilot program's grants from June 30, 2019, to June 30, 2020.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3001, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3001, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2440 Transportation and Energy on S.B. No. 3088

The purpose and intent of this measure is to extend the period that a county may adopt a surcharge on state tax, under certain conditions, by six months, from March 31, 2018, to September 30, 2018.

Your Committee received testimony in support of this measure from Hawaii County Council Vice Chair Karen Eoff, Hawaii County Councilmember Dru Kanuha, and Hawaii County Councilmember Maile David. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that Hawaii County is currently in the process of holding public meetings on whether to implement a county surcharge on the general excise tax to gauge support for the surcharge. Currently, the deadline to establish a county surcharge is March 31, 2018, which is too short of a timeframe to make an informed decision regarding the merits of a county surcharge, according to Hawaii County Council testimony.

In contrast, the Department of Taxation has expressed concern that this measure's proposed September 30, 2018, deadline provides the Department insufficient time to prepare for the collection of the county surcharge beginning January 1, 2019. The Department requests at least six months to prepare, proposing either the deadline to adopt a county surcharge be June 30, 2018, or the collection of the county surcharge begin January 1, 2020.

Accordingly, your Committee has amended this measure by:

- (1) Changing the deadline to adopt a county surcharge from September 30, 2018, to June 30, 2018; and
- (2) Inserting language to require that for counties with a population equal to or less than five hundred thousand that adopts a county surcharge on state tax that:
 - (A) No less than sixty percent of the surcharge shall be used for transportation purposes; and
 - (B) Up to two percent of the surcharge can be used on any roadway used by the general public.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3088, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3088, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 2441 Transportation and Energy on S.B. No. 2714

The purpose and intent of this measure is to exclude the weight of vehicle modifications made to assist a person with a disability to enter or exit the vehicle from the determination of net weight for non-commercial vehicles for the purpose of levying state and county motor vehicle weight taxes.

Your Committee received testimony in support of this measure from the Disability and Communications Access Board and two individuals. Your Committee received comments on this measure from the Department of Transportation and Tax Foundation of Hawaii.

Your Committee finds that residents with a disability or their families often have a vehicle with extra weight, due to the lifts, ramps, motors, and vehicle chassis reinforcements needed to accommodate ingress and egress in the vehicle by the person with a disability. Your Committee believes that it is a hardship for these residents to pay more in vehicle weight taxes simply for needing a lift or ramp in their vehicle. This measure will offer some tax relief to disabled individuals and families who retrofit their vehicles to meet their or their loved one's accessibility needs.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2714 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 2442 Transportation and Energy on S.B. No. 80

The purpose and intent of this measure is to make an emergency appropriation to relocate the "I Heart Radio" aerial such that it would not obstruct the navigable airspace above and around the Daniel K. Inouye International Airport.

Your Committee received testimony in support of this measure from the Department of Transportation and Airlines Committee of Hawaii.

Your Committee finds that the existing gantry cranes at Honolulu Harbor's Sand Island terminal and the new gantry cranes that will be installed as part of the Honolulu Harbor modernization obstruct the navigable airspace around the Daniel K. Inouye International Airport. An alternate flight route has been planned, but this route has an obstruction as well: the "I Heart Radio" aerial located near Dillingham Boulevard and Kokea Street. Your Committee finds that this relocation was supported in the 2016 supplemental appropriations act, as capital improvement project item 53, but an omission in the appropriation's authorizing language meant that approved funds could not be expended on the project. Thus, another appropriation is needed immediately to ensure that the tower can be relocated in a timely fashion, and that this appropriation is in the public interest and for the public's health, safety, and general welfare of the State.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 80, S.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 2443 Labor on S.B. No. 2366

The purpose and intent of this measure is to:

- (1) Require the Hawaii Labor Relations Board to deliver its orders and decisions by hand, United States Postal Service mail using a delivery confirmation, or electronically;
- (2) Extend the time to hold a hearing on a complaint from forty to ninety days;
- (3) Repeal the requirement for the State to pay for witness fees and to conduct an audit; and
- (4) Establish a collective bargaining dispute resolution special fund.

Your Committee received testimony in support of this measure from the Hawaii Labor Relations Board. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that electronic filing services cut costs for the State by eliminating postage costs and staff time to mail decisions and orders; extension of the requirement to hold hearings on complaints allows more time for discovery and the filing of dispositive motions by all parties; and monetary penalties that return back to the general fund directly and indirectly benefit the public employers rather than directly benefitting the aggrieved party. Accordingly, your Committee finds that this measure will cut costs, provide more time to all parties prior to a hearing, and ensure that monetary penalties directly benefit aggrieved parties.

Additionally, your Committee finds that this measure should be amended to address ongoing capacity issues at the Hawaii Labor Relations Board, by providing for additional staff to assist with the backlog and funding for mandated and essential cost items that can no longer be absorbed by the existing base budget.

Accordingly, your Committee has amended this measure by:

- (1) Inserting an appropriation to the Hawaii Labor Relations Board for one full-time equivalent (1.0 FTE) attorney position, one full-time equivalent (1.0 FTE) chief clerk position, and travel and interpreter costs; and
- (2) Inserting an effective date of January 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2366, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2366, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2444 (Majority) Labor on S.B. No. 2376

The purpose and intent of this measure is to raise the threshold under the contractor licensing law's handyman exemption from \$1,000 to \$5,000.

Your Committee received testimony in support of this measure from the Hawai'i Association of REALTORS® and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received testimony in opposition to this measure from the Plumbing & Mechanical Contractors Association of Hawaii; International Union of Painters and Allied Trades, District Council 50; Subcontractors Association of Hawaii; Hawaii Laborers-Employers Cooperation and Education Trust; Painting Industry of Hawaii Labor Management Cooperation Trust Fund; Building Industry Association of Hawaii; Elite Mechanical, Inc.; Hawai'i Construction Alliance; HPS Services, Inc.; HPS Construction Services, Ltd.; and one individual. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs Regulated Industries Complaints Office and Contractors License Board.

Your Committee finds that under chapter 444, Hawaii Revised Statutes, any construction work that costs more than \$1,000 or that requires a building permit must be performed by a licensed contractor; however, the handyman exemption allows the hiring of a person not licensed as a contractor if the total value of the project, including labor and materials, is equal to or less than \$1,000. Your Committee further finds that as housing costs have increased in Hawaii, the cost of housing materials has also increased; therefore, many small home repair projects may easily exceed \$1,000. And with increased costs, even for maintenance or minor jobs, finding licensed contractors for smaller jobs has been difficult, especially on the neighbor islands and in rural areas.

Your Committee acknowledges that this measure is a work in progress and appreciates the information provided by the Department of Commerce and Consumer Affairs and all of the testimony submitted. In light of the fact that the handyman threshold dollar amount has not been raised since 1992, your Committee finds that while the original amount stated in this measure is too high, an adjustment should be considered and further discussion on the actual amount is necessary.

Accordingly, your Committee has amended this measure by:

- (1) Inserting a blank dollar amount for the handyman exemption; and
- (2) Inserting an effective date of January 1, 2045, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2376, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2376, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 1 (Taniguchi). Excused, none.

SCRep. 2445 (Joint) Labor and Human Services on S.B. No. 2163

The purpose and intent of this measure is to provide a taxpayer who hires an individual with a disability a nonrefundable tax credit for the six-month period after the individual is initially hired by the taxpayer.

Your Committees received testimony in support of this measure from the State Rehabilitation Council; State Council on Developmental Disabilities; Hawai'i State Association of Counties; Hawaii Disability Rights Center; Lanakila Pacific; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Kaua'i County Councilmember Derek Kawakami; and one individual. Your Committees received comments on this measure from the Department of Taxation and Tax Foundation Hawaii.

Your Committees find that employment of people with disabilities is key to allowing them to achieve full community integration and financial independence. Your Committees support incentives that encourage greater employment of individuals with disabilities in the State.

Your Committees recommend that, as this measure moves through the legislative process, it should be evaluated as to whether or not expansion or amendment of existing tax incentives, such as those for vocational rehabilitation in section 235-55.91, Hawaii Revised Statutes, is preferable to the creation of a new one, as noted in the testimonies of the Department of Taxation and Tax Foundation of Hawaii.

Your Committees have amended this measure by:

- (1) Replacing references to "individual with a disability" with "person totally disabled", as defined in section 235-1, Hawaii Revised Statutes;
- (2) Stipulating that any amounts upon which any other tax credit or deduction is calculated under chapter 235, Hawaii Revised Statutes, are not qualified wages for purposes of the tax credit;
- (3) Clarifying that the Department of Taxation may disqualify wages that were paid to a non-qualified employee without the employer receiving notice that the certification was based on false information;
- (4) Clarifying that only the final successor employer who employed the person totally disabled during the taxable year may claim the credit and that the credit cannot be claimed multiple times for the same employee; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Labor and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2163, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2163, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Labor: Ayes, 3. Noes, none. Excused, 2 (Chang, Taniguchi).
Human Services: Ayes, 4. Noes, none. Excused, 1 (Chang).

SCRep. 2446 Education on S.B. No. 2353

The purpose and intent of this measure is to prohibit discrimination on the basis of sex, including gender identity or expression or sexual orientation, in any state educational program or activity or in any educational program or activity that receives state financial assistance.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Hawai'i Civil Rights Commission, Hawaii State Teachers Association, Commission on the Status of Women, AF3IRM Hawai'i, Chun Kerr LLP, Filipina Advocacy Network, Hawaii Children's Action Network, Hawaii State Coalition Against Domestic Violence, Hawaii Women's Coalition, IMUAlliance, The Sex Abuse Treatment Center, LGBT Caucus of the Democratic Party of Hawai'i, Planned Parenthood Votes Northwest and Hawaii, Rainbow Family 808, YWCA O'ahu, Young Progressives Demanding Action Hawai'i, The American College of Obstetricians and Gynecologists, American Association of University Women of Hawai'i, Americans for Democratic Action Hawai'i, Domestic Violence Action Center, Hawai'i Women Lawyers, Hawaii Youth Services Network, Healthy Mothers Healthy Babies Coalition of Hawaii, League of Women Voters of Hawaii, Women's March Hawaii Island, and numerous individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that Title IX of the Education Amendments of 1972, renamed the Patsy Mink Equal Opportunity in Education Act in 2002, triggered a shift in the education landscape by prohibiting discrimination on the basis of sex by any education program or activity receiving federal funds. This significant piece of legislation has given millions of girls and women educational opportunities in the classroom and on the playing fields; in research, teaching, and graduate schools; and in employment, medicine, law, and other professions. The efficacy of the Title IX federal protections against sex discrimination in education has been diminished and eroded by the current presidential administration, which reversed the federal government's previous interpretation of the prohibition against discrimination based on "sex" that included discrimination based on sexual orientation and gender identity and expression.

Your Committee further finds that in order to protect all students and ensure that they have equal access to all of the opportunities afforded to them, all discrimination, including discrimination on the basis of disability should be prohibited. Therefore, it is time to consider and address the need for a corollary in state law to protect the students entrusted in the State's schools from discrimination on the basis of sex or disability.

Your Committee has amended this measure by:

- (1) Inserting language that additionally prohibits discrimination on the basis of disability in any state educational program or activity or in any educational program or activity that receives state financial assistance; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2353, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2353, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

SCRep. 2447 (Joint) Education and Government Operations on S.B. No. 2391

The purpose and intent of this measure is to require the governing boards of charter schools to attend annual mandatory training sessions that cover the topics of ethics, procurement, and fiduciary responsibilities.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs; Hawaii State Ethics Commission; State Public Charter School Commission; Ho'omana Pono, LLC; and Hawaii Public Charter School Network.

Your Committees find that the governing boards of charter schools have a direct impact on the education of the children in the State. Ethics is an area that is often overlooked in education. This training will ensure the integrity of those governing boards and assure the public that their interests are protected.

Your Committees further find that the Hawaii State Ethics Commission and Hawaii Public Charter Schools Network indicated that they are willing and able to provide ethics training.

Your Committees have amended this measure by specifying that:

- (1) Governing board members shall be certified through programs approved by the State Public Charter School Commission no later than the completion of their first year serving on the governing board;
- (2) The certification programs shall provide for recertification for governing board members serving more than one term; and
- (3) All governing board members serving on July 1, 2018, shall be required to be certified no later than June 30, 2019.

As affirmed by the records of votes of the members of your Committees on Education and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2391, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2391, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

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

Government Operations: Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Rhoads).

SCRep. 2448 Education on S.B. No. 2261

The purpose and intent of this measure is to establish the education special fund and allocate twenty-five percent of general excise tax revenues to be deposited into the education special fund to fund public education.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Hawaii State Teachers Association, IMUAlliance, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and one individual. Your Committee received comments on this measure from the Department of the Attorney General, Department of Education, Department of Budget and Finance, and Tax Foundation of Hawaii.

Your Committee finds that Hawaii's public schools are severely underfunded. At \$12,855 per child, Hawaii trails mainland school districts of similar size when adjusting for cost of living. This lack of adequate funding has resulted in an inability to repair and renovate deteriorating facilities, higher class sizes, a lack of adequate classroom supplies, elimination of arts and career and technical education courses, budget cuts for special education and English language learner programs, and an increasing number of vacant teacher positions statewide. Your Committee further finds that a portion of revenues from general excise tax will provide much needed funding for the State's public schools and bring Hawaii's education funding policy closer to other school districts of similar size.

Your Committee has amended this measure by:

- (1) Clarifying that the purpose of this measure is to establish the education special fund and allocate twenty-five percent of the general excise tax revenue collected in addition to other sources of educational funding to be deposited into the education special fund;
- (2) Inserting language that appropriates an unspecified amount of funds from the education special fund for the purposes of funding public education; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2261, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2261, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

SCRep. 2449 (Joint) Public Safety, Intergovernmental, and Military Affairs and Labor on S.B. No. 2429

The purpose and intent of this measure is to:

- (1) Prohibit a security guard from possessing a firearm in the course of employment if the guard was discharged from employment as a law enforcement officer due to poor employment standing; and
- (2) Require state and county law enforcement agencies to make appropriate disclosures to employers conducting employment background checks of the employer's prospective employees.

Your Committees received testimony in support of this measure from the Department of Transportation and one individual. Your Committees received testimony in opposition to this measure from the Board of Private Detective and Guards.

Your Committees find that ensuring the hiring of qualified security guards in the State is essential to protecting public health and safety. Your Committees find that since security guards in the State have the ability to carry firearms, it is essential that they meet certain standards, such as not having been previously discharged or otherwise ending employment due to their misconduct. There is a strong correlation between law enforcement officers becoming security guards, but there are no existing safeguards in place relating to those who may have previously been discharged as a law enforcement officer due to poor employment standing and are subsequently hired as a security guard. Your Committees find that to better protect the public, those security guards who have previously been discharged as a law enforcement officer due to poor employment standing should be prohibited from carrying firearms while employed as security guards. In addition, your Committees agree with the testimony from the Department of Transportation indicating that the Department should be included as one of the agencies required to disclose whether a prospective employee was discharged due to poor employment standing from employment with the department.

Further, your Committees note concerns raised in the testimony of the Board of Private Detectives and Guards relating to the Board's lack of authority to authorize a guard or detective to carry firearms. Your Committees recognize that only the counties and certain state agencies may deputize licensed guards or detectives for law enforcement duties, including authorizing them to carry firearms. Accordingly, if your Committee on Commerce, Consumer Protection, and Health decides to hear this measure, your Committee on Commerce, Consumer Protection, and Health may want to consider prohibiting the Board from licensing in the first place those individuals who have been discharged from employment as a law enforcement officer due to poor employment standing.

Your Committees have amended this measure by:

- (1) Adding the Department of Transportation as one of the agencies required to disclose whether a prospective employee was discharged due to poor employment standing from employment with the department; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2429, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2429, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

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

SCRep. 2450 (Joint) Judiciary and Economic Development, Tourism, and Technology on S.B. No. 2887

The purpose and intent of this measure is to appropriate monies for events recognizing the twenty-fifth anniversary of the sister state relationship between Hawai'i and Taiwan.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; United Chinese Society of Hawaii; Chinese Chamber of Commerce of Hawaii; Taipei Economic and Cultural Office in Honolulu; and four individuals.

Your Committees find that the business, cultural, educational, and historical ties between Taiwan and Hawai'i are numerous and longstanding. Since establishing a sister state relationship in 1993, the cultural, educational, and business exchanges between Taiwan and Hawai'i have continued to grow and strengthen. This measure will provide resources for events recognizing and commemorating the twenty-fifth anniversary of this sister state relationship.

As affirmed by the records of votes of the members of your Committees on Judiciary and Economic Development, Tourism, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2887 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

Economic Development, Tourism, and Technology: Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 2451 Judiciary on S.B. No. 2150

The purpose and intent of this measure is to appropriate supplemental funds for the operating and capital improvement costs of the Judiciary for the fiscal biennium beginning July 1, 2017, and ending June 30, 2019.

Your Committee received testimony in support of this measure from the Judiciary; the Hawaii State Bar Association; Ho'omana Pono, LLC; the Kauai Bar Association; the Legal Aid Society of Hawaii; the West Hawaii Bar Association; and one individual.

OPERATING BUDGET

Positions and Related Costs

Your Committee notes with particular concern the urgent need for family court resources, and has therefore decided to approve the Judiciary's requested funding for family court judges, related positions, and attendant costs in both the first judicial circuit on Oahu and in the fifth judicial circuit on Kauai.

For the second judicial circuit on Maui, your Committee has decided to approve the funding request for drug court and the addition of 0.5 permanent positions for janitorial services for Lahaina District Court. Your Committee has also decided to approve funding for two out of the three requested social worker positions, along with a pro rata portion of the necessary costs associated with those positions.

For the third judicial circuit on Hawaii island, your Committee has decided to approve the request for four permanent janitorial and facilities manager positions and two permanent positions and funds for bailiffs.

As additional program appropriations in the first judicial circuit on Oahu, your Committee has approved the requested temporary-to-permanent conversions of twelve positions for the Interagency Council on Intermediate Sanctions and the Hawaii Opportunity Probation with Enforcement program, commonly known as the HOPE program.

Civil Legal Services

Additionally, although not included in the supplemental budget request from the Judiciary for fiscal year 2018-2019, your Committee has decided to add a new program appropriation in JUD601 for \$250,000 in general funds for the purpose of purchasing civil legal services. Your Committee notes that this addition to the supplemental budget request is consistent with previous Judiciary budget acts, prior to fiscal year 2017-2018, and will provide much needed assistance to legal service organizations, including Volunteer Legal Services Hawaii and the Legal Aid Society of Hawaii. Your Committee notes that this amount is a first estimate for this appropriation and may not reflect the entire needs of these organizations.

CAPITAL IMPROVEMENT BUDGET

With respect to capital improvement projects, at this time your Committee has decided to approve the Judiciary's request for \$5,800,000 in funding for furnishings and equipment for the Kona Judiciary Complex. Your Committee also approves funding in the amount of \$1,200,000 for upgrades and modernization of Ka'ahumanu Hale on Oahu, noting that this amount may serve to begin the extensive work necessary for that facility, particularly for the alarm system. Finally, your Committee has decided to approve \$1,000,000 as a lump sum for improvements to Judiciary facilities statewide.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2150, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2150, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2452 (Joint) Agriculture and Environment and Water and Land on S.B. No. 2845

The purpose and intent of this measure is to require the Office of Planning, in coordination with the appropriate departmental agency, to prepare and periodically update a functional plan for seafood sustainability that expands the State's priority on food by including wild seafood as a viable food source.

Your Committees received testimony in support of this measure from the Hawaii Fisherman's Alliance for Conservation and Tradition, Inc.; Big Island Fisheries; Waialua Boat Club; Society for Hawaii Heritage Animals; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and nine individuals. Your Committees received comments on this measure from the Department of Agriculture, Office of Planning, and Department of Land and Natural Resources.

Your Committees find that increased local food production is a top priority of the State to achieve the state goal of sustainability. As an island state, wild seafood is a staple of the diets of residents and visitors and therefore should be considered in food sustainability plans. Although, your Committees support all efforts that encourage increased local food production in the State, it is your Committees' understanding that the purpose of this measure is to assess the wild seafood situation, not to increase wild seafood production at this time.

Your Committees have amended this measure by:

- (1) Replacing the Office of Planning with the Department of Agriculture as the lead agency, and directing the Department of Agriculture to coordinate with the Office of Planning and Department of Land and Natural Resources;
- (2) Clarifying that, to conform with the Hawaii State Planning Act, the Governor shall submit the functional plan pursuant to section 226-56, Hawaii Revised Statutes;
- (3) Extending the deadline for submission of the functional plan from twenty days prior to the convening of the Regular Session of 2019 to twenty days prior to the convening of the Regular Session of 2020;
- (4) Inserting a blank appropriation for fiscal year 2018-2019 for the Department of Agriculture, in coordination with the Office of Planning and Department of Land and Natural Resources, to prepare and periodically update a functional plan for seafood sustainability; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2845, as amended herein, and

recommend that it pass Second Reading in the form attached hereto as S.B. No. 2845, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2453 (Joint/Majority) Agriculture and Environment and Higher Education on S.B. No. 2575

The purpose and intent of this measure is to appropriate funds for the University of Hawaii West Oahu to expand its existing programs and develop new means to increase food security and self-sufficiency in the State.

Your Committees received testimony in support of this measure from the Department of Agriculture; Department of Business, Economic Development, and Tourism; Department of Land and Natural Resources, State Historic Preservation Division; Office of Planning; University of Hawaii System Government Relations Office; MAO Organic Farms; Waianae Community Re-Development Corporation; Hawaii Alliance for Progressive Action; Ho‘omanapono Political Action Committee; Ka Ohana O Na Pua; University of Hawaii West Oahu Health Science Program; Hawaii Alliance for Community-Based Economic Development; O‘ahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i; ACCESS Engagement; Hawaii Cattlemen’s Council, Inc.; and twenty-two individuals.

Your Committees find that the Office of Planning, in cooperation with the Department of Agriculture, issued a report in October 2012, entitled “Increased Food Security and Food Self-Sufficiency Strategy: A State Strategic/Functional Plan Prepared in Accordance with HRS Chapter 226 Hawaii State Plan and the Hawaii Comprehensive Economic Development Strategy”. The executive summary of the report states, in pertinent part, “The purpose of the *Increased Food Security and Food Self-Sufficiency Strategy* (Strategy) is to increase the amount of locally grown food consumed by Hawaii residents. This will increase food self-sufficiency which is a component of food security. The Strategy is a living document intended as a first step toward continued dialog and implementation”. Your Committees further find that the development of higher education systems in Hawaii to promote understanding of sustainable food production and training a new generation of students for jobs in the sustainable food and agriculture sector is an essential part of meeting the strategic objectives; thus, this measure is the next step toward increasing local food production in the State.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2025, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2575, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2575, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).

Higher Education: Ayes, 3. Noes, 1 (Kidani). Excused, 1 (Keith-Agaran).

SCRep. 2454 Housing on S.B. No. 3034

The purpose and intent of this measure is to require the strategic plan developed by the Hawaii Interagency Council for Transit-Oriented Development to require that affordable housing be included as part of the development or redevelopment plan for any state property located within one mile of the Honolulu rail transit system, unless the Honolulu City Council determines that housing is not feasible or desirable on a particular property.

Your Committee received testimony in support of this measure from the Department of Human Services, Hawaii Housing Finance and Development Corporation, Office of Planning, League of Women Voters of Hawaii, and one individual. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources.

Your Committee finds that there is a housing shortage crisis in Hawaii. The need for affordable rental units in the State and around the Honolulu rail transit system is particularly important for households with low incomes. This measure will assist in focusing the State’s efforts on increasing the number of affordable dwelling units.

Your Committee notes the concerns raised by the Department of Land and Natural Resources regarding the mandatory provisions of this measure. The Hawaii Interagency Council for Transit-Oriented Development serves as an advisory body coordinating and facilitating discussions or actions between the State and counties on transit-oriented development initiatives. The Department expressed concerns that this measure may transform the Council into a regulatory entity, which may frustrate the Department’s planned objectives for the four parcels under its jurisdiction that are adjacent or in close proximity to the planned University of Hawaii West Oahu rail transit station in East Kapolei. The Department’s long-term objective is to lease these parcels for income generating purposes to support the Department’s natural resource management and protection programs and has already agreed to the placement of a 1,000-stall park and ride facility on the parcel immediately adjacent to the University of Hawaii West Oahu rail transit station. The requirements imposed by this measure impede this objective.

Your Committee further notes that Act 130, Session Laws of Hawaii 2016, established the Office of Planning as the lead agency to coordinate and advance smart growth and transit-oriented development planning within the State, including targeting transit-oriented development areas for significant increases in affordable housing and rental units and approving all state agencies’ development plans for parcels along the rail transit corridor. Your Committee believes that requiring affordable housing to be included as part of the development or redevelopment plan for state transit-oriented development along the rail transit corridor as part of the Office of Planning’s functions will increase the affordable housing stock, and support rail ridership goals.

Accordingly, your Committee has amended this measure by:

- (1) Removing language that would have required the strategic plan developed by the Hawaii Interagency Council for Transit-Oriented Development to require that affordable housing be included as part of the development or redevelopment plan for any state property located within one mile of the Honolulu rail transit system;
- (2) Inserting language that:
 - (A) Includes approval of all state agencies' redevelopment plans for parcels along the rail transit corridor among the Office of Planning's duties as lead agency to coordinate and advance smart growth and transit-oriented development planning within the State; and
 - (B) Requires affordable housing to be included as part of every development or redevelopment plan for state transit-oriented development along the rail transit corridor, unless the Office of Planning determines that housing is not feasible or desirable on a particular property; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3034, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3034, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 2455 (Joint) Housing and Judiciary on S.B. No. 2755

The purpose and intent of this measure is to:

- (1) Clarify that any projects assisted by the Hawaii Housing Finance and Development Corporation that were developed or sold prior to the enactment of Act 159, Session Laws of Hawaii 2017 (Act 159), are grandfathered in and not subject to Act 159, to avoid unintended consequences and administrative burdens; and
- (2) Limit the subsequent purchase price of the real property if the Hawaii Housing Finance and Development Corporation does not exercise its option to purchase the real property.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and Hawaii Housing Finance and Development Corporation.

Your Committees find that Act 159 allows qualified non-profit housing trusts to utilize the Hawaii Housing Finance and Development Corporation's buyback option on affordable for-sale homes and condominium units resold by their original owner-occupants in situations when the Corporation decides not to do so itself. According to the Corporation, since the enactment of Act 159, the Corporation found that some of the Corporation's projects may not be covered by the existing grandfather provision. This measure excludes any project developed or sold prior to the enactment of Act 159.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2755, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2755, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Housing: Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).
Judiciary: Ayes, 3. Noes, none. Excused, 2 (Gabbard, Kim).

SCRep. 2456 (Joint) Water and Land and Agriculture and Environment on S.B. No. 2911

The purpose and intent of this measure is to appropriate funds to the Department of Land and Natural Resources to conduct a phase I environmental site assessment and, if necessary, a phase II environmental site assessment and suitable environmental remediation at the former Lalamilo reservoir site on the island of Hawaii as due diligence for a proposed land exchange for the relocation of a public library.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Hawaii State Public Library System, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that there is a proposed land exchange in the Waimea area on the island of Hawaii. In exchange for the former Lalamilo reservoir site, the State will receive a parcel of land that will be used to eventually replace the existing Thelma Parker Memorial Public and School Library. The site of this library is currently the Waimea Elementary School campus, which causes safety concerns for the school and library as well as issues relating to access to both campuses due to insufficient parking. This measure will provide the necessary funds for the Department of Land and Natural Resources to conduct due diligence to facilitate the proposed land exchange.

Your Committees have amended this measure by adopting the language suggested by the Department of Land and Natural Resources, which clarifies that due diligence includes any common transaction costs, including but not limited to certain specified costs, concerning the Lalamilo reservoir site land exchange transaction of the relocation of the public library.

As affirmed by the records of votes of the members of your Committees on Water and Land and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2911, as amended herein, and

recommend that it pass Second Reading in the form attached hereto as S.B. No. 2911, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2457 (Joint) Water and Land and Housing on S.B. No. 2425

The purpose and intent of this measure is to exempt lands owned by the Hawaii Public Housing Authority from the definition of “public lands” under section 171-2, Hawaii Revised Statutes (HRS), and the jurisdiction of the Board of Land and Natural Resources.

Your Committees received testimony in support of this measure from the Hawaii Public Housing Authority. Your Committees received comments on this measure from the Office of Hawaiian Affairs.

Your Committees find that the Hawaii Public Housing Authority titled lands were previously exempt from the definition of “public lands” under section 171-2, HRS, when these lands were held by the Authority’s predecessor agencies, the Housing and Community Development Corporation of Hawaii and the Hawaii Housing Authority. After the Housing and Community Development Corporation of Hawaii was bifurcated into two separate agencies, an exemption for Hawaii Public Housing Authority titled lands was inadvertently excluded from the list of lands exempt from the definition of lands under section 171-2, HRS.

Your Committees further find that the Hawaii Public Housing Authority is authorized to acquire, own, and hold real property pursuant to section 356D-8, HRS, and its federal low-income public housing properties are under a federal annual contributions contract with the federal government. Thus, these titled lands do not fall under the jurisdiction of the State’s public lands and should be exempt from the definition of “public lands” and the jurisdiction of the board of land and natural resources to avoid delays in redevelopment projects.

Your Committees note the written comments submitted by the Office of Hawaiian Affairs that Hawaii Public Housing Authority titled lands should be treated consistently with other state lands removed from the jurisdiction of the Board of Land and Natural Resources. Thus, any sale or gift of lands under the control of the Authority should be subject to the legislative approval requirements under section 171-64.7, HRS.

Furthermore, in light of the concerns raised by the Office of Hawaiian Affairs regarding its objection to the sale of ceded lands except under limited circumstances, your Committees clarify that ceded lands will remain ceded lands and remain unaffected by this measure.

Your Committees have amended this measure by:

- (1) Adopting the language suggested by the Office of Hawaiian Affairs that requires the legislative approval of the sale or gift of lands to which the Hawaii Public Housing Authority in its corporate capacity holds title; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2425, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2425, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4; Ayes with Reservations (Thielen). Noes, none. Excused, 1 (Inouye).

Housing: Ayes, 3; Ayes with Reservations (Green). Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 2458 (Joint/Majority) Higher Education and Judiciary on S.B. No. 2316

The purpose and intent of this measure is to propose amendments to the Hawai’i State Constitution to modify the appointment process for the Board of Regents of the University of Hawai’i and repeal the reference to the Candidate Advisory Council for the Board of Regents of the University of Hawai’i.

Your Committees received testimony in opposition to this measure from the Association of Emeritus Regents of the University of Hawai’i.

Your Committees find that while the Candidate Advisory Council for the Board of Regents of the University of Hawai’i has nominated many outstanding appointees to the Board, important concerns have been raised as to the selection process. The potential value in granting the Governor the authority to select and appoint Regents on the basis of how each Regent’s individual strengths will add to and complement the overall Board of Regents. Therefore, it is appropriate to reassess and seriously consider making significant changes to the appointment process for the Board of Regents of the University of Hawai’i to increase the Governor’s ability to appoint qualified individuals to serve as Regents and effectively lead the University of Hawai’i System.

As affirmed by the records of votes of the members of your Committees on Higher Education and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2316 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

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

Judiciary: Ayes, 3; Ayes with Reservations (Rhoads, Taniguchi). Noes, 1 (Thielen). Excused, 1 (Gabbard).

SCRep. 2459 Higher Education on S.B. No. 2329

The purpose and intent of this measure is to decrease University of Hawai’i tuition by an unspecified percentage and limit future increases in tuition for the University of Hawai’i based on the change in the State’s median household income.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii and one individual. Your Committee received testimony in opposition to this measure from the University of Hawai'i System and Hawai'i Educational Policy Center. Your Committee received comments on this measure from the Americans for Democratic Action Hawai'i and Associated Students of the University of Hawai'i at Manoa.

Your Committee finds that overall enrollment in the University of Hawai'i system has dropped by 3.3 percent from fall 2016 to fall 2017. Correspondingly, tuition has increased steadily since academic year 2011-2012, increasing by 3.1 percent in 2012-2013, 5.5 percent in 2013-2014, 7.6 percent in 2014-2015, 5.1 percent in 2015-2016, and 5.1 percent in 2016-2017, with further increases scheduled in the 2018-2019 and 2019-2020 academic years. However, despite the decline in enrollment, faculty salaries are scheduled to increase at a rate faster than the growth in tuition. This will decrease the budget amount available for other priorities, such as modernizing buildings, offering scholarships, and student programs and services.

Your Committee further finds that declining enrollment necessarily leads to a decrease in revenue from per-student fees, which are often used to fund student programs and services. This harms the student experience, further depressing enrollment, and is contrary to state policy, which favors an informed and educated populace. This measure promotes increased enrollment at the University of Hawai'i by capping tuition increases based on the change in the State's median household income, improving the student experience, keeping budgetary pace with increased salaries and other costs, and promoting a more educated populace.

Your Committee has amended this measure by:

- (1) Inserting language that specifies that the amendments made to section 92-28, Hawaii Revised Statutes, shall not be repealed when that section is amended by Act 181, Session Laws of Hawaii 2017; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2329, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2329, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Chang).

SCRep. 2460 (Joint) Higher Education and Labor on S.B. No. 2356

The purpose and intent of this measure is to explicitly specify the responsibility of the University of Hawai'i community colleges to provide short-term and rapid response occupational training and certification programs designed to qualify individuals to fill new and hard-to-fill positions of the State, counties, and private sector that require technical training.

Your Committees received testimony in support of this measure from the University of Hawai'i System, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual. Your Committees received comments on this measure from the Department of Labor and Industrial Relations.

Your Committees find that the modern economy requires colleges to react quickly to meet the changing technical workforce demands of the public and private sectors, both to fill emerging job opportunities and upgrade the skills of existing workers to meet the changing requirements of their positions as technology advances. This measure directs the University of Hawai'i community colleges to be more responsive to workforce needs in the State by developing and rapidly delivering training for new and hard-to-fill positions that require technical skills.

As affirmed by the records of votes of the members of your Committees on Higher Education and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2356 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Higher Education: Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Kim).
Labor: Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 2461 Higher Education on S.B. No. 2475

The purpose and intent of this measure is to appropriate funds to continue and expand health care apprenticeship programs at the University of Hawai'i community colleges.

Your Committee received testimony in support of this measure from the University of Hawai'i System, Department of Health, Hawai'i Health Partners, Hawai'i Pacific Health, Hawai'i Primary Care Association, Project Vision Hawaii, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and two individuals. Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that apprenticeship programs approved by University of Hawai'i community colleges are composed of two major components: work process and related instruction. The work process component consists of on-the-job training, while the related instruction component is the structured class and laboratory or shop curricula. Therefore, apprenticeship programs develop job skills through theoretical and practical experiences.

Your Committee further finds that the United States Department of Labor, Employment and Training Administration awarded the Hawaii State Department of Labor and Industrial Relations a substantial grant to expand apprenticeship opportunities in information technology and health care. This grant helped to alleviate the shortage of physicians, pharmacy technicians, nursing assistants, paraoptometric technicians, medical laboratory workers, and community health workers. This measure further supports the development, education, and training for individuals looking to enter the health care field.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2475 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Chang).

SCRep. 2462 (Joint) Higher Education and Labor on S.B. No. 2585

The purpose and intent of this measure is to establish a collective bargaining unit for graduate student assistants employed by the University of Hawai'i.

Your Committees received testimony in support of this measure from the Hawaii State AFL-CIO; University of Hawaii Professional Assembly; Academic Labor United; United Public Workers, AFSCME, Local 646, AFL-CIO; UNITE HERE Local 5; Hawai'i Construction Alliance; International Brotherhood of Electrical Workers Local Union 1260, AFL-CIO; Hawaii State Teachers Association; IMUAlliance; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and numerous individuals. Your Committees received testimony in opposition to this measure from the University of Hawai'i System, Department of Budget and Finance, and Office of Collective Bargaining.

Your Committees find that graduate students perform a variety of teaching and research functions that are necessary and vital to the overall strength and accomplishments of a successful university. At research universities, such as the University of Hawai'i at Manoa, graduate students are in the trenches, collaborating on research with faculty members that often leads to innovative ideas.

Your Committees further find that disparities exist between actual salaries and benefits provided to graduate student assistants at the University of Hawai'i at Manoa and comparable institutions across the United States. Budget shortfalls have increased class size and workload, which has increased the burden on the University of Hawai'i's graduate student assistants. Graduate student assistants at the University of Hawai'i are not currently authorized to organize to advocate for their own employment rights. This measure allows for the establishment of a graduate student assistants union that would allow for fair advocacy for graduate student assistant members.

Your Committees have amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2585, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2585, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Higher Education: Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Kim).
Labor: Ayes, 5. Noes, none. Excused, none.

SCRep. 2463 (Joint) Higher Education and Human Services on S.B. No. 2596

The purpose and intent of this measure is to require the University of Hawai'i to:

- (1) Establish a five-year senior citizen higher education access pilot program at the University of Hawai'i at Hilo; and
- (2) Submit a report on the progress of the pilot program to the Legislature prior to Regular Session 2024.

Your Committees received testimony in support of this measure from AARP Hawaii; Ho'omana Pono, LLC; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and four individuals. Your Committees received testimony in opposition to this measure from the University of Hawai'i at Hilo.

Your Committees find that while there is no cure for Alzheimer's, several studies and publications provide evidence that continuing education may delay the onset of Alzheimer's symptoms. Although there are several existing programs aimed at promoting mental health for Hawai'i's senior citizens through formal education, this measure further promotes lifelong learning for senior citizens while adding senior citizen wisdom and experience to the classroom setting.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2596, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2596, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Higher Education: Ayes, 5. Noes, none. Excused, none.
Human Services: Ayes, 3. Noes, none. Excused, 2 (Tokuda, Wakai).

SCRep. 2464 Higher Education on S.B. No. 3063

The purpose and intent of this measure is to authorize and appropriate funds for the University of Hawai'i Sea Grant College Program to conduct an economic analysis of North Shore beaches for the area of the North Shore of O'ahu that stretches from the Kawailoa to Waiale'e ahupua'a to estimate the economic value of North Shore beaches.

Your Committee received testimony in support of this measure from the University of Hawai'i Sea Grant College Program, Sierra Club of Hawai'i, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual.

Your Committee finds that the northwest-facing shoreline on the North Shore of O'ahu, which stretches from the Kawailoa to Waiale'e ahupua'a, is a spectacular coastline of primary importance to state residents and visitors from around the world for its

beautiful sandy beaches, famous surf breaks, recreational opportunities, marine resources and wildlife, and vistas. However, the true economic value of North Shore beaches is currently unquantified and therefore, likely undervalued. Because the University of Hawai'i Sea Grant College Program has demonstrated the capacity and capability to conduct the type of economic analysis needed for North Shore beaches, having quantitative economic and natural resource value estimates of North Shore beaches will assist local decision-makers regarding critical issues, such as coastal land use, shoreline management, and applications for armoring of the shoreline for private development.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3063 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Chang).

SCRep. 2465 Commerce, Consumer Protection, and Health on S.B. No. 3008

The purpose and intent of this measure is to:

- (1) Transition from lump sum deferred deposit transactions to installment-based small dollar loan transactions;
- (2) Specify various consumer protection requirements for small dollar loans;
- (3) Beginning January 1, 2019, require licensure for small dollar lenders that offer small dollar loans to consumers; and
- (4) Specify licensing requirements for small dollar lenders.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs; Hawaiian Community Assets; Community Alliance on Prisons; Mental Health America of Hawai'i; Pono Hawai'i Initiative; Hawaii Habitat for Humanity Association, Inc.; Hawaii Appleseed Center for Law & Economic Justice; Catholic Charities Hawai'i; Hawai'i Alliance for Community-Based Economic Development; Na Kahua Hale O Ulu Wini; and one individual. Your Committee received testimony in opposition to this measure from Maui Loan Inc. and Money Service Centers of Hawaii, Inc. Your Committee received comments on this measure from the Department of Taxation, Office of Information Practices, and Dollar Financial Group, Inc.

Your Committee finds that deferred deposit agreements, commonly referred to as payday loans, are small, short term, unsecured loans that borrowers commit to repay from their next paycheck or a regular income payment. The majority of borrowers use deferred deposit agreements for recurring expenses, rather than unexpected expenses or emergencies, because they live paycheck to paycheck. According to testimony received by your Committee, payday lending threatens the housing security of families by unfairly increasing their debt and placing them in a continuous cycle of financial distress.

Furthermore, according to a 2017 analysis by the Consumer Financial Protection Bureau, four out of five payday loans are rolled over or renewed, meaning that a borrower was not able to repay a loan by the agreed up on date and was left with no other recourse than another high interest payday loan, despite having already experienced the difficulties of repaying these loans. Because of this revolving door of debt, the average payday loan borrower remains in debt for more than six months.

Your Committee also finds that there has been a shift in the payday industry toward small dollar installment loans, which are repayable over time and secured by access to the borrower's checking account. However, in the absence of sensible regulatory safeguards, this type of payday lending, as well as the traditional deferred deposit payday lending market, can be harmful for consumers. Your Committee notes that without strong consumer protections in the payday loan industry, payday loan borrowers may find such debt overwhelming and may be unable to pay rent and basic living costs.

This measure therefore establishes a regulatory structure for small dollar loans. However, your Committee has heard the concerns that this measure may not adequately ensure that these types of small dollar installment loans remain affordable for borrowers. Accordingly, your Committee has engaged in discussions with the Department of Commerce and Consumer Affairs and interested stakeholders, including the Pew Charitable Trusts and Hawaiian Community Assets, on suggested amendments to this measure that will ensure sufficient consumer safeguards are available for payday lending borrowers, while also providing a framework to enable existing payday lending establishments to remain in business. Amendments to this measure are therefore necessary to incorporate these suggested revisions.

Your Committee has amended this measure by:

- (1) Clarifying the definitions of "annual percentage rate", "financial institution", and "small dollar loan";
- (2) Inserting definitions for "elder", "finance charges", "maintenance fee", and "precomputed interest";
- (3) Clarifying the requirements that each small dollar loan transaction and renewal shall meet, including:
 - (A) Specifying that the total amount of the small dollar loan shall not exceed \$1,000;
 - (B) Deleting language that would have prohibited a minimum loan term and would have set a maximum loan term for small dollar loans;
 - (C) Specifying that the total monthly payment on a small dollar loan shall not exceed an amount that is five percent of the borrower's verified gross monthly income or six percent of the borrower's verified net income, whichever is greater;
 - (D) Specifying that the total amount of fees and charges a small dollar lender may charge, collect, or receive in connection with a small dollar loan shall not exceed fifty percent of the principal loan amount;
 - (E) Authorizing a monthly maintenance fee of no more than \$25, with certain requirements; and

- (F) Specifying that a small dollar lender shall not charge any direct or indirect fees for a small dollar loan, other than authorized fees;
- (4) Removing language that would have set the total amount of the instruments held by a small dollar lender at no more than the amount financed and the permitted finance charge;
 - (5) Clarifying that a lender may contract for a twice-monthly or monthly payment in a multiple installment small dollar loan;
 - (6) Removing language that would have specified certain requirements for a consumer who partially prepaid a single installment small dollar loan or made additional voluntary payments on a multiple installment small dollar loan;
 - (7) Specifying what a lender must refund, upon prepayment of a small dollar loan in full by a consumer;
 - (8) Authorizing the Commissioner of Financial Institutions to biennially adjust for inflation the total amount of the small dollar loan and the total maintenance fee on a small dollar loan and requiring these updated fees to be posted on the Division of Financial Institutions' website;
 - (9) Clarifying the contents of the written agreement that must be signed by a small dollar lender and a consumer for each small dollar loan transaction and renewal;
 - (10) Clarifying that a small dollar lender may receive interest at a rate not exceeding thirty-six percent per year on the unpaid principal balance of a small dollar loan;
 - (11) Deleting language that would have allowed a small dollar lender to charge interest after the original or deferred maturity of a precomputed loan on all unpaid principal balances;
 - (12) Requiring the lender to refund to the consumer a prorated portion of the interest and monthly maintenance fees when the consumer prepays in full or renews a small dollar loan;
 - (13) Deleting language that would have authorized a lender to convert a small dollar loan to an interest-bearing loan if the maturity of a small dollar loan was accelerated for any reason;
 - (14) Permitting a lender to grant one deferment, if the parties agree in writing, but prohibiting the lender from charging or collecting a deferment fee;
 - (15) Clarifying that other than the permitted interest and charges, no further or other amounts shall be required by a small dollar lender and removing language that would have permitted a lender to charge fees to record, file, or release security interests on a loan or fees for credit reports and costs and disbursements associated with any suit to collect a loan or any lawful activity to realize on a security interest after default;
 - (16) Prohibiting small dollar lenders from charging or receiving loan origination fees;
 - (17) Removing language that would have permitted a lender to charge and receive check collection charges;
 - (18) Specifying that a small dollar lender shall not collect a default charge on any installment not paid in full within ten days after its due date;
 - (19) Clarifying that a lender shall not lend more than \$1,000, nor shall the amount financed exceed \$1,000 by any one lender at any time to a consumer;
 - (20) Prohibiting multiple outstanding small dollar loans between a small dollar lender and a consumer at one time;
 - (21) Clarifying the contents of the notice that must be provided in a prominent place on each small dollar loan agreement;
 - (22) Clarifying the renewal requirements for small dollar loans, including limiting the total amount of the renewal to \$1,000, and specifying limits on the total amount of fees and charges for any renewed loan, rather than permitting a lender to assess an additional finance charge for the renewed loan;
 - (23) Deleting language that would have specified requirements for when a small dollar transaction was considered completed;
 - (24) Clarifying when communications by a lender shall be presumed to have been made for purposes of harassment;
 - (25) Requiring a small dollar lender to cover any fees and charges incurred by a consumer as a direct result of a loan proceeds instrument dishonored by a financial institution;
 - (26) Deleting language that would have specified certain notice requirements prior to sale or assignment of instruments held by a small dollar lender;
 - (27) Specifying exemptions from licensure as a small dollar loan lender;
 - (28) Clarifying the contents of the application that must be submitted by an applicant for licensure as a small dollar lender;
 - (29) Specifying the fees that a small dollar lender must pay to the Division of Financial Institutions to obtain and maintain a valid small dollar lender license;
 - (30) Clarifying the fees a branch office of a small dollar lender must pay to obtain and maintain a small dollar loan license;
 - (31) Clarifying the contents of the annual report a small dollar lender is required to submit to the Commissioner of Financial Institutions;
 - (32) Clarifying license renewal requirements for small dollar lenders;

- (33) Clarifying the contents of the notice that must be provided to the Commissioner of Financial Institutions when a small dollar lender voluntarily surrenders its license;
- (34) Deleting language that would have required a small dollar lender to designate a qualified individual to manage the principal place of business in the State;
- (35) Clarifying that limitations on usury recovery shall not apply to any small dollar loan;
- (36) Deleting language that would have removed an exemption from the requirements of chapter 480F, Hawaii Revised Statutes, from a bank, trust company, savings bank, savings and loan association, financial services loan company, or credit union; and
- (37) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3008, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3008, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Espero, Nishihara).

SCRep. 2466 Labor on S.B. No. 2189

The purpose and intent of this measure is to provide that failure of state and county officers and employees to carry out or comply with provisions of the basic bill of rights for victims and witnesses may subject them to civil liability or disciplinary action, with certain exceptions.

Your Committee received testimony in support of this measure from Ho'omana Pono, LLC; Ho'omanapono Political Action Committee; Stolen Stuff Hawaii; and thirty-five individuals. Your Committee received testimony in opposition to this measure from the Honolulu Police Department and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that all states, including Hawaii, have established victims' rights laws that require that victims have certain information, protections, and a limited role in the criminal justice process. Generally, victims have the right to:

- (1) Be treated with dignity and respect;
- (2) Be informed of specific details of the case, including the prosecution, plea offers, court proceedings, and sentencing;
- (3) Protection from threats or harm;
- (4) Apply for compensation;
- (5) Restitution from the offender;
- (6) Prompt return of personal property;
- (7) Be informed of parole proceedings or release from incarceration; and
- (8) Enforcement of victims' rights.

Your Committee further finds that, to be meaningful, victims' legal rights must be enforced. Several states have created offices to receive and investigate reports of violations of victims' rights, while other states have laws that permit victims to assert their rights in court. Many states have included a victim's bill of rights within their state constitutions. This measure aims to increase enforcement of victims' rights in Hawaii by increasing the accountability of state and county officers and employees.

Your Committee has amended this measure by:

- (1) Repealing language that would have provided that failure of state and county officers and employees to carry out or comply with victims' rights provisions may subject them to civil liability;
- (2) Requiring, rather than allowing, failure of state and county officers and employees to carry out or comply with victims' rights provisions to provide a basis for disciplinary action;
- (3) Requiring competent authority to immediately report to the Legislature whenever a disciplinary action is taken due to failure of state and county officers and employees to carry out or comply with victims' rights provisions;
- (4) Inserting an effective date of January 1, 2045, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2189, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2189, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5; Ayes with Reservations (Chang). Noes, none. Excused, none.

SCRep. 2467 Labor on S.B. No. 2333

The purpose and intent of this measure is to establish a Hawaii Retirement Savings Board to administer the Hawaii Retirement Savings Plan for private sector employees.

Your Committee received testimony in support of this measure from AARP Hawai'i, Hawaii Appleseed Center for Law & Economic Justice, and two individuals. Your Committee received testimony in opposition to this measure from the National Association of Insurance and Financial Advisors. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that there is an imminent retirement security crisis in the State, as many individuals do not have access to an employer-sponsored retirement plan. Your Committee further finds that approximately fifty percent of the State's private sector employees work for an employer that does not offer a retirement plan or are not eligible for the plan offered. The lack of opportunity to participate in an employer-provided retirement plan spans all levels of education and earnings. A lifelong savings system that provides individuals with the opportunity to build their assets and attain future financial stability provides the means by which individuals can retire and achieve economic security, improved economic mobility, and reduced wealth disparity.

Your Committee acknowledges that this measure is a work in progress and as such, your Committee has amended this measure by:

- (1) Adding two community representatives to the Hawaii Retirement Savings Board, one to be selected by the President of the Senate and one to be selected by the Speaker of the House of Representatives;
- (2) Adding language to allow for a request for proposals to be issued for a third party to conduct the market analysis;
- (3) Requiring a preliminary report be submitted to the Legislature prior to the Regular Session of 2019 and a final report to be submitted prior to the Regular Session of 2020;
- (4) Authorizing the Department of Budget and Finance to adopt interim rules as necessary for the market analysis;
- (5) Appropriating funds for the market analysis;
- (6) Extending the date by which the retirement savings plan must be established so that individuals may begin making contributions no later than July 1, 2021, rather than July 1, 2020;
- (7) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2333, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2333, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2468 (Joint) Government Operations and Higher Education on S.B. No. 2831

The purpose and intent of this measure is to reinstate the President of the University of Hawaii as the chief procurement officer for contracts for construction and construction related professional services furnished by licensees under chapter 464, Hawaii Revised Statutes.

Your Committees received testimony in support of this measure from the University of Hawai'i System, State Procurement Office, and one individual. Your Committees received comments on this measure from one individual.

Your Committees find that procurement for contracts for construction and construction related professional services furnished by licensees under chapter 464, Hawaii Revised Statutes, for the University of Hawaii has been under the control of the Department of Accounting and General Services for the past five years after issues were discovered relating to the University's procurement process and procedures. During that time, the University has made significant changes to its policies and procedures. Your Committees acknowledge the testimony of the University citing a State Procurement Office report indicating that the University is now engaging in some of what the Procurement Office refers to as "best-practices". Accordingly, your Committees find that the University, through the University President, should be given the opportunity to again be in control of its own procurement. However, your Committees find that it is prudent to create a shortened trial-period during which the University can fully demonstrate its commitment to its new policies and procedures designed to remedy the shortcomings which initially precipitated the transfer of procurement authority to the Department of Accounting and General Services. Your Committees also find that in order to maintain proper oversight over the University, the University should submit an annual report detailing capital improvement projects by the University.

Your Committees have amended this measure by:

- (1) Requiring the University of Hawaii to submit an annual report to the Legislature detailing a list of all capital improvement projects approved by the Board of Regents prioritized by each campus;
- (2) Inserting a repeal date of June 30, 2021; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2831, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2831, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Government Operations: Ayes, 4. Noes, none. Excused, 1 (Galuteria).
Higher Education: Ayes, 5. Noes, none. Excused, none.

SCRep. 2469 (Joint) Judiciary and Economic Development, Tourism, and Technology and Higher Education on S.B. No. 3037

The purpose and intent of this measure is to appropriate monies for the Office of International Affairs to fund one or more programs sponsored or organized by the University of Hawaii Community Colleges or a four-year campus to implement international college experiences for Hawaii students enrolled at a University of Hawaii campus.

Your Committees received testimony in support of this measure from the University of Hawaii West Oahu, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; and University of Hawai'i System.

Your Committees find that the opportunity to study abroad helps students to become globally competitive by broadening their views, learning new languages, and being exposed to diverse cultures. Education abroad programs have been demonstrated to contribute to students' success and preparation. This measure will provide resources to give Hawaii's students the opportunity to build upon the cultural and historic ties between the State and nations throughout the Asia-Pacific region and expose students to these nations in an educational and cultural setting.

As affirmed by the records of votes of the members of your Committees on Judiciary, Economic Development, Tourism, and Technology, and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3037 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

Economic Development, Tourism, and Technology: Ayes, 4. Noes, none. Excused, 1 (Baker).

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

SCRep. 2470 Hawaiian Affairs on S.B. No. 1303

The purpose and intent of this measure is to amend the election method of the three at-large seats for the Office of Hawaiian Affairs' Board of Trustees.

Your Committee received testimony in support of this measure from the Hawaiian Affairs Caucus of the Democratic Party of Hawaii; We Are One, Inc.; Honua Consulting; Patients Without Time; Aha Moku O, Inc.; and twenty-eight individuals. Your Committee received testimony in opposition to this measure from Ho'omanapono Political Action Committee and one individual. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that there has been a call to amend the current election process of the Office of Hawaiian Affairs' Board of Trustees election. Currently, there are nine positions on the Board and, of the nine, four are at-large positions, which seek to represent the State as a whole. Your Committee believes that it is important to create a fair and just election process that requires candidates to run in head-to-head races for the Board of Trustees to uphold democracy, and doing so requires a change in the current election process. Your Committee believes that the congressional delegates election process may serve as a model for the Board of Trustees election, as the congressional delegates are chosen to represent Hawaii as a whole, similar to the at-large seats of the Board of Trustees.

Your Committee has amended this measure by modeling the elections after the Congressional races by:

- (1) Requiring that of the four at-large seats, two seats will be up for election during each election cycle;
- (2) Of the two seats up for election during each election cycle, requiring one member to be a resident of an urban district and one member to be a resident of a rural district;
- (3) Making the change in the election process and residency requirement for the at-large seats effective beginning with the general election of 2020 but requiring a shortened term for one member elected for an at-large seat without a residency requirement in the general election of 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1303, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1303, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Green).

SCRep. 2471 (Joint) Hawaiian Affairs and Public Safety, Intergovernmental, and Military Affairs and Agriculture and Environment on S.B. No. 2133

The purpose and intent of this measure is to require the counties to establish a framework for the establishment of Hawaiian cultural reserves as a condition of approval for subdivisions or certain condominium property regimes on agricultural and rural lands.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs; Carmen Hulu Lindsey, Trustee of the Office of Hawaiian Affairs; Hawaiian Affairs Caucus of the Democratic Party of Hawaii; Ho'omanapono Political Action Committee; Kawaihuelani Center for Hawaiian Language; Hawaiian Civic Club of Honolulu; Ho'omanapono Pono, LLC; We Are One, Inc.; and thirty-six individuals. Your Committees received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies and one individual. Your Committees received comments on this measure from the Department of the Attorney General and Department of Planning and Permitting of the City and County of Honolulu.

Your Committees find that Native Hawaiians struggle to perpetuate their traditional practices, particularly the practices that depend on the 'aina. Land use and development, specifically residential development and industrial uses on agricultural and rural lands, have

prevented Native Hawaiians from using these lands for traditional Hawaiian practices, cutting off access to essential resources that have served as the foundation of Native Hawaiian culture. Your Committees find that these lands are instrumental to the preservation and perpetuation of traditional Hawaiian practices and must be protected so that the Native Hawaiian community can be assured that traditional practices are respected in the State. Your Committees recognize the concern regarding the permitting process of setting aside land for Hawaiian cultural reserves without just compensation to the landowner and have requested the concerned party and the Office of Hawaiian Affairs to collaborate to draft amendments to ensure that this measure may protect the practices of Native Hawaiians.

Accordingly, your Committees have amended this measure by:

- (1) Inserting language that requires counties, when developing ordinances or supplemental rules, to consider how the dedication of land for Hawaiian cultural reserves will impact the new subdivision or condominium property regime and that the consideration shall also account for the way previous development or changes to land access have impacted Native Hawaiian traditional and customary practices; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs, Public Safety, Intergovernmental, and Military Affairs, and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2133, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2133, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (English, Galuteria).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

SCRep. 2472 (Joint) Hawaiian Affairs and Housing on S.B. No. 2424

The purpose and intent of this measure is to:

- (1) Authorize the construction and use of micro housing units on Hawaiian home lands managed by the Department of Hawaiian Home Lands and exempts such construction from certain laws;
- (2) Authorize the use of the Hawaiian home land fund and Hawaiian home general loan fund to assist in purchasing or renting a micro housing unit on Hawaiian home lands and leased to native Hawaiian beneficiaries; and
- (3) Appropriate funds to the Hawaii Housing Finance and Development Corporation to:
 - (A) Construct micro housing units, subject to certain conditions; and
 - (B) Build the general organizational capacity of native Hawaiian-controlled nonprofit housing developers.

Your Committees received testimony in support of this measure from the Hawaiian Civic Club of Honolulu; Life of the Land; Hawaii Habitat for Humanity; Hawaii Appleseed Center for Law and Economic Justice; Hawaiian Community Assets; Young Progressives Demanding Action - Hawai'i; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Ho'omanana Pono, LLC; Council for Native Hawaiian Advancement; Ho'omanapono Political Action Committee; and eleven individuals. Your Committees received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies. Your Committees received comments on this measure from the Department of Hawaiian Home Lands, Department of the Attorney General, Office of Hawaiian Affairs, and Hawaii Housing Finance and Development Corporation.

Your Committees find that micro housing units are an attempt to address homelessness and to create more affordable housing. The construction of micro housing units on Hawaiian home lands has the potential to address two of the largest problems the State is facing: homelessness and lack of affordable housing. Your Committees find that forty-two percent of homeless people in Hawaii identify as Native Hawaiian and that the State has a responsibility to provide sufficient living arrangements for beneficiaries of the Hawaiian Homes Commission Act. Your Committees believe that micro housing units are a resourceful option with the potential to accommodate more beneficiaries on Hawaiian homestead lands.

Your Committees recognize the difficulty for beneficiaries to obtain the necessary funds to construct a micro housing unit and note that the difficulty is multiplied due to existing law prohibiting beneficiaries from taking out a second mortgage or using equity financing to construct a micro housing unit on their Hawaiian homestead land. In order to address this concern, your Committees have requested various stakeholders to work with the Department of Hawaiian Home Lands to draft language that would authorize beneficiaries to take out a second mortgage or use equity financing in order to construct a micro housing unit on their Hawaiian homestead land. Your Committees respectfully encourage your Committee on Ways and Means to continue the collaborative work to incorporate the draft language into this measure.

Your Committees have amended this measure, as suggested by the Department of Hawaiian Home Lands, by:

- (1) Amending the preamble for accuracy and to clarify that those who lease the micro housing units must meet the minimum Hawaiian blood quantum requirement for lease successorship under the Hawaiian Homes Commission Act, 1920, as amended;
- (2) Deleting the exemption for micro housing units from county permit and building code provisions;
- (3) Allowing the construction and use of any micro housing unit on Hawaiian home lands that have been approved, rather than managed, by the Department of Hawaiian Home Lands;
- (4) Inserting the Department of Hawaiian Home Lands as the expending agency for the two appropriations; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2424, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2424, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (English, Green).

Housing: Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 2473 Hawaiian Affairs on S.B. No. 2557

The purpose and intent of this measure is to allow Hawaiian homestead lessees who meet the minimum Hawaiian blood quantum requirement to pass their lease to their adopted children.

Your Committee received testimony in support of this measure from the Hawaiian Civic Club of Honolulu, Ho‘omanapono Political Action Committee, and three individuals. Your Committee received comments on this measure from the Department of Hawaiian Home Lands and Department of the Attorney General.

Your Committee finds that the benefit of Hawaiian homestead leases should be available for all members of a family, including those who are adopted into the family; provided that the adopted child also meets the minimum Hawaiian blood quantum requirement for lease succession.

Your Committee has amended this measure as suggested by the Department of Hawaiian Home Lands and Department of the Attorney General by:

- (1) Requiring that adopted children must meet the minimum Hawaiian blood quantum requirement, prior to adoption, in order to be a successor of the lease;
- (2) Deleting the retroactive application of this measure and making the measure apply instead to Hawaiian homestead leases existing as of the effective date of this measure or issued on or after the effective date of this measure; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2557, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2557, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2474 (Joint) Hawaiian Affairs and Commerce, Consumer Protection, and Health on S.B. No. 2717

The purpose and intent of this measure is to:

- (1) Establish a cesspool compliance grant program and special fund to assist beneficiaries on Hawaiian home lands with cesspool upgrade, conversion, or connection costs;
- (2) Prohibit a recipient of a cesspool compliance grant from claiming the cesspool upgrade, conversion, or connection income tax credit and vice versa; and
- (3) Appropriate funds for the grant program.

Your Committees received testimony in support of this measure from the Department of Hawaiian Home Lands; Ho‘omana Pono, LLC; Ho‘omanapono Political Action Committee; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i. Your Committees received comments on this measure from the Department of the Attorney General, Department of Health, Department of Budget and Finance, and Department of Taxation.

Your Committees find that section 342D-72, Hawaii Revised Statutes, requires the upgrade, conversion, or connection of all cesspools by 2050. There are currently approximately eighty-eight thousand cesspools in the State, discharging roughly fifty-three million gallons of untreated sewage into the groundwater every day. Your Committees note that about ninety-five percent of the State’s drinking water is sourced from underground, making cesspools a significant threat to public health. Your Committees believe that establishing a grant program to assist beneficiaries on Hawaiian home lands to comply with section 342D-72, Hawaii Revised Statutes, to ensure the protection of the public’s health.

Your Committees have amended this measure by:

- (1) Inserting the language in the Hawaii Revised Statutes, rather than the Hawaiian Homes Commission Act, 1920, as amended;
- (2) Clarifying the definitions for “cesspool”, “septic system”, and “aerobic treatment unit system”;
- (3) Authorizing the Department of Hawaiian Homes Lands and Department of Taxation to share information regarding grant recipients and their tax identification number to ensure that recipients of the newly established grant do not claim the cesspool upgrade, conversion, or connection income tax credit; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2717, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2717, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (English, Green).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 2475 Hawaiian Affairs on S.B. No. 2863

The purpose and intent of this measure is to amend the offenses of property damage in the first, second, and third degrees to include damaging property holding cultural or historical significance to Native Hawaiians.

Your Committee received testimony in support of this measure from the Historic Hawai'i Foundation; Ho'omanana Pono, LLC; Ho'omanapono Political Action Committee; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and six individuals. Your Committee received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that there has been intentional desecration to property that holds cultural or historical significance to Native Hawaiians, such as the damage done to the 'Iolani Palace, statue of Prince Kūhiō, and King Kamehameha statue in the County of Hawai'i. Your Committee believes that there needs to be a more fitting penalty for those who willfully damage culturally and historically important property that Native Hawaiians consider significant in order to better protect and preserve the Hawaiian culture and to educate the public on Hawaiian history. Your Committee recognizes that the definition of property holding cultural or historical significance to Native Hawaiians in this measure, as drafted, is vague and needs refinement.

Your Committee notes for consideration by your Committee on Judiciary that rather than incarcerating an individual who has damaged culturally and historically significant property, requiring the individual to work with organizations that work toward the revitalization or preservation of Hawaiian culture and history may be a more appropriate penalty, as it presents an opportunity to teach the individual the importance and meaning of the property that was damaged.

Your Committee has amended this measure by:

- (1) Clarifying the definition of "property holding cultural or historical significance to Native Hawaiians"; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2863, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2863, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2476 Hawaiian Affairs on S.B. No. 2984

The purpose and intent of this measure is to prohibit lessees who sell or transfer their interest in a Hawaiian home lands tract from being placed on the waiting list maintained by the Department of Hawaiian Home Lands for an additional lease.

Your Committee received testimony in support of this measure from Council Member Stacy Helm Crivello, Maui County Council; Hawaiian Civic Club of Honolulu; Ho'omanapono Political Action Committee; and one individual. Your Committee received comments on this measure from the Department of Hawaiian Home Lands and the Department of the Attorney General.

Your Committee finds that churning is the practice of obtaining a Hawaiian home lands lease then selling or conveying it to others for a fee or other personal gain, then being placed on the waiting list to receive another lease. Currently, there are 44,429 applications currently in the system, and the numbers continue to grow. Your Committee further finds the large number of applications is due in part to an applicant being allowed to submit more than one application for the different awards of leases, such as pastoral, agricultural, and residential leases, where the applicant is eligible to apply for all three and hoping to receive just one award. With the number of applications continuing to grow, some eligible native Hawaiians may never obtain a lease or remain on the list for an extended number of years before receiving a lease. Your Committee finds this practice of churning unacceptable, as it prevents many native Hawaiians from ever obtaining a lease, and that this practice needs to be prohibited to ensure fair distribution of leases to eligible recipients.

Your Committee has amended this measure, as suggested by the Department of the Attorney General, by:

- (1) Moving the proposed language from section 208 to section 207 of the Hawaiian Homes Commission Act, 1920, as amended;
- (2) Deleting the proposed amendment to section 209, Hawaiian Homes Commission Act, 1920, as amended; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2984, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2984, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2477 (Joint) Commerce, Consumer Protection, and Health and Education on S.B. No. 2655

The purpose and intent of this measure is to:

- (1) Establish licensure requirements for school psychologists to be administered by the Board of Psychology; and
- (2) Amend the composition of the Board of Psychology to include two school psychologists.

Your Committees received testimony in support of this measure from the Hawai'i Association of School Psychologists, Hawai'i Psychological Association, Hawaii Children's Action Network, and eleven individuals. Your Committees received comments on this measure from the Department of Education, Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs, Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs, Board of Psychology, and one individual.

Your Committees find that under existing law, school psychologists are exempt from having to obtain licensure to practice in an educational setting. Your Committees further find that Hawaii is the only state in the country without certification or licensure for school psychologists. Without certification or licensing, the State is unable to ensure that functioning school psychologists are properly qualified and delivering appropriate services to Hawaii's school children. Furthermore, because only certificated or licensed professionals may seek reimbursement under Medicaid, the State is currently unable to bill for any services or evaluations conducted by school psychologists in an educational setting.

Your Committees additionally find that this measure establishes licensure requirements for school psychologists, to be administered by the Board of Psychology. This measure will therefore raise the standards of practice for all school psychologists in Hawaii, which will in turn increase the appropriate delivery of services to those students most in need.

However, your Committees have heard the concerns that this measure's July 1, 2020, date for licensure does not provide a sufficient transition period for Department of Education school psychologist employees to obtain licensure. Although your Committees are sympathetic to these concerns, your Committees note that school psychologist licensure is not a recent or unexpected topic, especially considering Hawaii's status as the lone exception to certification or licensure for these professionals. Nevertheless, your Committees conclude that a three-year transition period is a more appropriate timeframe to enable current school psychologists to obtain licensure. An amendment to address these concerns is therefore needed.

Finally, your Committees note that because Hawaii is the last state in the country without certification or licensure requirements for school psychologists, it is appropriate for the practice of school psychology to be subject to regulation and control by the State, notwithstanding any requirements for a sunrise analysis by the Auditor.

Your Committees have amended this measure by:

- (1) Inserting definitions for "approved private school" and "developmental center";
- (2) Clarifying that each school psychologist shall complete eighteen credit hours of continuing education during each licensing biennium;
- (3) Specifying that beginning on July 1, 2021, rather than July 1, 2020, no person shall engage in the practice of school psychology or hold one's self out as a licensed school psychologist or school psychologist without being licensed as a school psychologist by the Board of Psychology;
- (4) Clarifying that aiding and abetting an unlicensed person to directly or indirectly perform activities requiring a license shall be grounds for disciplinary action by the Board of Psychology;
- (5) Clarifying that of the two initial school psychologist appointees to the Board of Psychology, one shall be appointed for a three-year term;
- (6) Clarifying that all school psychologists employed by the Department of Education shall be licensed by the Board of Psychology by July 1, 2021; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees request the School of Psychology at the University of Hawaii at Manoa, in conjunction with the University of Hawaii West Oahu, University of Hawaii at Hilo, and University of Hawaii Maui College to develop curriculum and continuing education requirements to enable school psychologists to become licensed pursuant to this amended measure.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2655, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2655, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

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

SCRep. 2478 Commerce, Consumer Protection, and Health on S.B. No. 2939

The purpose and intent of this measure is to require the Public Utilities Commission, on or before January 1, 2020, to establish performance incentive and penalty mechanisms that directly tie electric utility revenues to the utility's achievement on performance metrics.

Your Committee received testimony in support of this measure from the Blue Planet Foundation, Hawaii Solar Energy Association, and Sierra Club of Hawai'i. Your Committee received testimony in opposition to this measure from the Hawaiian Electric Company, Inc., and Land Use Research Foundation of Hawaii. Your Committee received comments on this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Public Utilities Commission, and Kaua'i Island Utility Cooperative.

Your Committee finds that utility rates across the country have traditionally been set using a cost-plus system, wherein utility profits are generally set as a percentage of utility expenditures. Under this type of ratemaking system, electric utilities are not directly rewarded for reducing consumer bills, adding renewable energy, or increasing the resiliency of the system. In contrast, a performance-

based ratemaking system ties utility revenues to the achievement of certain performance benchmarks, which in turn aligns the financial interests of utility shareholders with the interests of a state and ratepayers. Your Committee further finds that this measure therefore establishes a deadline for the Public Utilities Commission to establish performance-based incentive and penalty mechanisms and provides further guidance to the Commission on certain benchmarks that are consistent with state goals and longstanding regulatory guidance.

However, your Committee has heard the concerns that this measure encompasses all electric utilities in the State, including member-owned cooperative electric utilities. According to testimony received by your Committee, because any incentives or penalties allowed in a member-owned cooperative's rates are essentially collected from the cooperative's ratepayers and paid to the cooperative's shareholders -- which are one and the same -- the concept of performance-based financial incentives and penalties is moot, as a member-owned cooperative's interests are already inherently and fundamentally aligned with the interests of its members. Your Committee understands these concerns and concludes an amendment to this measure is therefore necessary.

Your Committee has amended this measure by:

- (1) Clarifying the performance metrics to be considered by the Public Utilities Commission, by:
 - (A) Removing language regarding exceeding the State's renewable portfolio, as this metric is sufficiently covered in the metric on rapid integration of renewable energy sources;
 - (B) Clarifying required consideration of the volatility and affordability of electric rates and bills that customers are asked to pay; and
 - (C) Removing language regarding fair compensation for utility employees, as adoption of this metric could have led to unintended consequences for consumers;
- (2) Exempting member-owned cooperative electric utilities from the requirements of this measure; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2939, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2939, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 2479 Commerce, Consumer Protection, and Health on S.B. No. 2656

The purpose and intent of this measure is to:

- (1) Allow the synchronization of plan participants' medications; and
- (2) Require plans, policies, contracts, or agreements that are offered by health insurers, mutual benefit societies, and health maintenance organization and provide prescription drug benefits, to apply prorated daily cost-sharing rates for prescriptions dispensed by network pharmacies for less than a thirty-day supply.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii Medical Association, Walgreen Co., American Cancer Society Cancer Action Network, and eighteen individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Board of Pharmacy, and Hawaii Medical Service Association.

Your Committee finds that medication synchronization allows a pharmacist to review a patient's medications and sync medication refills so all the refills are able to be picked up on a single day each month. This process, which involves short fills of less than a thirty days' supply, can be challenging at first, as it may take a few refills of smaller quantities to get all of a patient's prescription medications aligned on the same refill or "sync" day. However, the long term-convenience of medication synchronization is popular with patients and leads to increased adherence to prescription medications for chronic conditions. According to testimony received by your Committee, evidence shows that patients who have synced their chronic medications are about thirty percent more adherent than patients who are not in a medication synchronization program.

Your Committee further finds that this measure facilitates synchronization of prescription medication dispensation for Hawaii patients, which will encourage better medication adherence and lead to improved health outcomes for patients.

Your Committee has amended this measure by:

- (1) Clarifying that plans, policies, contracts, or agreements shall permit and apply daily cost-sharing rates for less than a thirty-day supply of a prescription for the purpose of medication synchronization and if a patient requests or agrees to less than a thirty-day supply;
- (2) Clarifying that health insurers, mutual benefit societies, and health maintenance organizations shall not deny coverage for the dispensing of a partial supply of a maintenance medication for the purpose of medication synchronization and if a patient requests or agrees to the partial supply;
- (3) Clarifying that the ability of a network pharmacy to override any denial codes indicating a prescription is being refilled too soon applies only for purposes of medication synchronization;
- (4) Specifying that a network pharmacy shall identify an anchor prescription to which all other prescriptions may be synced for the purposes of medication synchronization and clarifying that any medication dispensed in an unbreakable package shall be considered the anchor prescription;

- (5) Inserting a definition of “unbreakable package”;
- (6) Clarifying that the term “practice of pharmacy” includes the interpretation and evaluation of prescription orders to adjust days’ supply dispensed for purposes of conducting medical synchronization for a patient’s medications;
- (7) Inserting a repeal date of July 1, 2023; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2656, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2656, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 2480 (Joint) Public Safety, Intergovernmental, and Military Affairs and Government Operations on S.B. No. 3006

The purpose and intent of this measure is to require state projects to be designed and constructed using an alternative code that is most cost effective to a project, subject to certain conditions, including health and safety.

Your Committees received testimony in support of this measure from the Department of Accounting and General Services, Department of Land and Natural Resources, Hawaii Construction Alliance, Hawaii Laborers-Employers Cooperation and Education Trust, Hawaii Regional Council of Carpenters, and Hawaii Laborers Union Local 368. Your Committees received testimony in opposition to this measure from the American Council of Engineering Companies of Hawaii, American Institute of Architects, Electrical Contractors Association of Hawaii, Hawaii Bankers Association, International Association of Plumbing and Mechanical Officials, National Electrical Contractors Association, and Plumbing and Mechanical Contractors Association of Hawaii. Your Committees received comments on this measure from the Hawaii Emergency Management Agency.

Your Committees find that the State’s need for affordable housing is a growing concern that needs to be addressed to ensure public health and safety. To facilitate the construction of affordable public and private projects in the State, your Committees believe that it is in the best interests of the State to keep building costs as low as possible, while ensuring public health and safety. Your Committees also find that building codes, designed to standardize building practices and provide minimum standards for public health and safety, must also address cost efficiencies and investment value in construction. Consequently, your Committees find that there is a need for building codes to take into consideration new technologies, improved materials and methods, and better approaches to public health and safety to meet the needs of communities statewide. Therefore, your Committees find that it is important to provide greater flexibility in the use and application of Hawaii state building codes.

However, your Committees note and recognize concerns raised in testimony by organizations representing electricians regarding the use of any alternative electrical code. As noted in testimony, the National Electrical Code is the industry standard and the only available code with proper minimum requirements for electrical installation and systems, and is therefore the only electrical code that is universally used across all fifty states. Accordingly, your Committees note that if your Committee on Ways and Means chooses to hear this measure, that your Committee on Ways and Means may want to consider exempting the electrician trade from the alternative code.

Your Committees have amended this measure by:

- (1) Making the use of the most cost effective alternative building codes for state projects permissive rather than mandatory;
- (2) Requiring the use of the prescriptive design of an alternative code;
- (3) Clarifying that an alternative code may be used if it has been adopted, in addition to having been approved, by the State Building Code Council;
- (4) Prohibiting any county from denying a permit for state projects using an alternative code;
- (5) Establishing that the same standard of care that exists for services procured for state facilities shall apply to any project using an alternative code; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3006, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3006, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Ihara).
Government Operations: Ayes, 5; Ayes with Reservations (Rhoads). Noes, none. Excused, none.

SCRep. 2481 (Joint) Public Safety, Intergovernmental, and Military Affairs and Water and Land on S.B. No. 2087

The purpose and intent of this measure is to:

- (1) Amend section 663-1.5, Hawaii Revised Statutes, the Good Samaritan Law, to provide liability exemptions for owners and operators of any premises, property, or facility where automated external defibrillators and rescue tubes are located; and
- (2) Provide liability exemptions for rescuers who attempt to rescue a person with a rescue tube.

Your Committees received testimony in support of this measure from the Hawaii Kai Lions Club; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Rescue Tube Foundation, Inc.; and eighty-two individuals. Your Committees received comments on this measure from the Hawaii Association for Justice.

Your Committees find that promoting the adoption and use of simple, life-saving devices is essential to protect public health and welfare. Your Committees also find that automated external defibrillators and rescue tubes are two simple, cost-effective life saving devices. Strategically placed automated external defibrillators in work places and public buildings has led to the rescue of countless individuals experiencing a heart attack or cardiac arrest. Likewise, the placement of rescue tubes on Kauai, and other areas throughout the State, has led to countless rescues of drowning victims. Your Committees find that these two pieces of life-saving equipment are appropriate for ordinary citizens to use in assisting victims in need and are cost effective. Therefore, your Committees find that the widespread use of these devices should be encouraged.

Your Committees find that individuals and businesses are often reluctant to provide automatic external defibrillators or rescue tubes for fear of liability. Moreover, citizens are often afraid to take action using these devices based on the same fears of liability. Therefore, your Committees find that the State's Good Samaritan Law should be amended to provide liability protection for owners and operators of a premises, property, or facility where automated external defibrillators and rescue tubes are located and for citizens who might use these devices to assist in an emergency situation.

However, your Committees are concerned that the proposed liability protections for owners or operators of any premises, property, or facility where an automated external defibrillator or rescue tube is located are overly broad and would exempt such owners and operators from virtually all premises liability. Your Committees find that the proposed premises liability exceptions should be narrowed to apply only to the storage, maintenance, and use of an automated external defibrillator or rescue tube.

Accordingly, your Committees have amended this measure by:

- (1) Deleting language exempting an owner or operator of any premises, property, or facility where an automated external defibrillator or rescue tube is located from liability except in cases of gross negligence or wanton acts or omissions and replacing it with an exception from liability for any act or omission relating to the storage, maintenance, or use of the automated external defibrillator or rescue tube; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2087, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2087, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Baker).

Water and Land: Ayes, 5. Noes, none. Excused, none.

SCRep. 2482 (Joint) Labor and Human Services and Government Operations on S.B. No. 2906

The purpose and intent of this measure is to statutorily establish and fund the position of the Governor's Coordinator on Homelessness to report directly to the Governor.

Your Committees received testimony in support of this measure from the Governor's Coordinator on Homelessness, Department of Human Services, Department of Land and Natural Resources, City and County of Honolulu Mayor's Office of Housing, Mental Health America of Hawai'i, Institute for Human Services, Hawai'i Appleseed Center for Law & Economic Justice, Parents And Children Together, and Catholic Charities Hawai'i.

Your Committees find that homelessness in Hawaii has reached epidemic proportions, impacting residents and visitors alike. Your Committees further find that although the Governor has appointed a coordinator on homelessness to coordinate homelessness efforts statewide since 2011, and Act 105, Session Laws of Hawaii 2012, established the Hawaii Interagency Council on Homelessness with the Governor's Coordinator on Homelessness to serve as chair, the Governor's Coordinator on Homelessness position has not been statutorily established. This measure codifies the position within the Department of Human Services to better ensure accountability and coordination between the various departments and agencies tasked with reducing homelessness and eliminating barriers to housing through increased communication and the development of strategic plans and benchmarks. This measure also appropriates monies for the position and other expenses for fiscal year 2018-2019.

As affirmed by the records of votes of the members of your Committees on Labor, Human Services, and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2906 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Labor: Ayes, 3. Noes, none. Excused, 2 (Chang, English).

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Wakai).

Government Operations: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 2483 Commerce, Consumer Protection, and Health on S.B. No. 2488

The purpose and intent of this measure is to establish a working group to address the complexities surrounding the topic of reimbursement by health insurance for medical cannabis for qualifying patients.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Hawaii Educational Association for Licensed Therapeutic Healthcare, Drug Policy Forum of Hawaii, and

five individuals. Your Committee received comments on this measure from the National Association of Mutual Insurance Companies and Legislative Reference Bureau.

Your Committee finds that Act 230, Session Laws of Hawaii 2016, established a legislative oversight group to develop and recommend legislation to improve the medical cannabis dispensary system in the State to ensure safe and legal access to medical cannabis for qualifying patients. Your Committee further finds that the working group explored the potential for medical cannabis costs to be reimbursable through health insurance. However, your Committee finds that the issues surrounding health insurance reimbursement for medical cannabis are complex enough to warrant a separate, dedicated working group modeled on the original working group.

Your Committee further finds that, in light of concerns raised by the Drug Policy Forum of Hawaii and individual testifiers, a plethora of voices are needed to ensure that all relevant interests are heard in the operations of this working group, including the interests of mutual benefit societies, health maintenance organizations, cannabis dispensaries, and adult and minor cannabis-using qualifying patients. Your Committee finds that language modeled on Act 230, Session Laws of Hawaii 2016, which established the original legislative oversight group, is appropriate to include these additional representatives.

Your Committee notes the concerns raised by the National Association of Mutual Insurance Companies but, as this measure deals exclusively with health insurance and not property or casualty insurance, finds that these concerns are not relevant to this measure.

Your Committee has amended this measure by:

- (1) Amending the membership of the working group to:
 - (A) Allow designees of the Chairs of the Senate Committee on Commerce, Consumer Protection, and Health and House Committee on Consumer Protection and Commerce to serve on the working group;
 - (B) Remove the representatives from the Hawaii Medical Service Association, Kaiser Permanente Hawaii, AlohaCare, and Hawaii Education Association for Licensed Therapeutic Healthcare and include instead one representative each from a mutual benefit society, health maintenance organization, licensed cannabis dispensary, and Medicaid managed care plan, to serve at the invitation of the chairs of the working group; and
 - (C) Add an adult cannabis-using qualifying patient and a parent or legal guardian of a minor cannabis-using qualifying patient;
- (2) Authorizing the working group to request assistance and feedback from other stakeholders, as needed; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2488, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2488, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Espero).

SCRep. 2484 Commerce, Consumer Protection, and Health on S.B. No. 3104

The purpose and intent of this measure is to:

- (1) Establish requirements for pharmacy benefit managers and maximum allowable cost, including the ability of pharmacies to receive comprehensive maximum allowable cost lists and bring complaints within the purview of the Department of Commerce and Consumer Affairs, rather than the Department of Health;
- (2) Clarify the available penalties for violations of maximum allowable cost requirements; and
- (3) Repeal statutory language that prohibits a contracting pharmacy from disclosing the maximum allowable cost list and related information to any third party.

Your Committee received testimony in support of this measure from The Queen's Health Systems; Hawaii Pharmacists Association; Weinstein Pharmacy; KTA Super Stores; Times Supermarket Pharmacy; Molokai Drugs, Inc.; Shiigi Drug Co., Inc.; North Shore Pharmacy and Health Emporium; Kamehameha Pharmacy; and twenty-five individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, CVS Health, and Pharmaceutical Care Management Association.

Your Committee finds that a drug's maximum allowable cost is the top limit that a pharmacy benefit manager will pay a pharmacy for multi-source generic drugs, while a maximum allowable cost list is a list of the maximum allowable reimbursement costs of multi-source generic drugs established by a pharmacy benefit manager. In general, no two maximum allowable cost lists are alike and will vary according to drug, pharmacy benefit manager, and health plan sponsor. However, the lack of transparency surrounding maximum allowable cost pricing has enabled pharmacy benefit managers to pay aggressively low reimbursements to pharmacies, while charging significantly higher amounts for the same drug to plan sponsors. Furthermore, because pharmacy benefit managers control the formularies for prices, like those through a maximum allowable cost list, a pharmacy benefit manager has the ability to create pricing uncertainty for pharmacies.

Your Committee further finds that a pharmacy will often fill a prescription without knowing how much the pharmacy will be paid, because the maximum allowable cost list can change at any time without warning. Many small independent pharmacies have seen a drastic reduction in the amount of reimbursement they receive from pharmacy benefit managers, with pharmacies being reimbursed below the cost of acquiring certain medications, sometimes losing up to hundreds of dollars per prescription. According to testimony

received by your Committee, although existing law permits a pharmacy to appeal this reimbursement if it is below cost, almost all of these appeals are denied.

Your Committee additionally finds that independent pharmacies provide many beneficial and free services to their patients. However, the lack of transparency from pharmacy benefit managers and the pattern of below-cost reimbursement have made it increasingly difficult for the few remaining independent pharmacies in Hawaii to continue to provide these free services or even stay in business. This measure therefore promotes transparency associated with pharmacy benefit managers and prescription drug pricing, which will better protect the State's independent pharmacies and Hawaii consumers.

Your Committee has amended this measure by:

- (1) Clarifying that a pharmacy benefit manager shall review and make necessary adjustments to the maximum allowable cost of each drug on a maximum allowable cost list only once every fourteen days;
- (2) Specifying that a pharmacy benefit manager shall reimburse a contracting pharmacy for a drug based on the maximum allowable cost of that drug on the day the drug is dispensed;
- (3) Clarifying that a pharmacy benefit manager shall notify all contracting pharmacies of a change to the maximum allowable cost for any drug, identified by its national drug code, at least seven days prior to initiating the change and permitting this notification to be provided electronically;
- (4) Requiring a pharmacy benefit manager to disclose where an equivalent drug can be obtained at or below the maximum allowable cost, when a maximum allowable cost is upheld on appeal;
- (5) Clarifying that a contracting pharmacy is permitted to reverse and rebill claims if a pharmacy benefit manager establishes a maximum allowable cost that is denied on appeal and requiring the pharmacy benefit manager to pay to the contracting pharmacy the difference between the maximum allowable cost on the day of the claim and the maximum allowable cost being appealed;
- (6) Specifying that any pharmacy benefit manager that refuses a maximum allowable cost reimbursement for a properly documented claim by a contracting pharmacy shall be deemed to have engaged in an unfair or deceptive act or practice in the conduct of trade or commerce;
- (7) Clarifying that the insurance commissioner shall adopt rules to establish a process to subject complaints concerning violations of maximum allowable cost to an external review process and resolve disputed claims;
- (8) Amending the definition of "maximum allowable cost list";
- (9) Changing its effective date to July 1, 2018; and
- (10) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3104, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3104, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 2485 Water and Land on S.B. No. 2052

The purpose and intent of this measure is to:

- (1) Authorize the Department of Land and Natural Resources to license non-commercial marine fishing;
- (2) Combine the licensure requirements for freshwater game fishing with marine fishing and apply the license to non-commercial freshwater game fishing and marine fishing;
- (3) Include as an expenditure from the sport fish special fund the acquisition of small boat harbors for public fishing or fishery management and enforcement activities specific to fish and other aquatic life conservation;
- (4) Require the Department of Land and Natural Resources to engage in robust public outreach prior to implementation of the non-commercial marine fishing license; and
- (5) Require the Department of Land and Natural Resources to submit a report to the Legislature prior to the convening of the Regular Sessions of 2019 and 2020 regarding certain information relating to non-commercial freshwater and marine fishing licenses.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, The Nature Conservancy, and one individual. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from the Office of Hawaiian Affairs and three individuals.

Your Committee finds that of the twenty-three coastal states in the United States, Hawaii is the only state that does not require a non-commercial marine fishing registry, permit, or license. Unlike commercial marine fishing, there is very limited data available about the non-commercial marine fishing activity that occurs in Hawaii, including the number of fishers, type and amount of species caught, and uses of the marine life. By combining the licensure requirements for non-commercial freshwater game fishing with non-

commercial marine fishing, this measure establishes a more effective system to oversee fishing and provides a means for the State to effectively manage the use of its saltwater fisheries for non-commercial purposes.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of Land and Natural Resources that:
 - (A) Inserts language in the purpose section to clarify that the Department of Land and Natural Resources may issue short-term freshwater and marine noncommercial fishing licenses, such as one- or seven-day fishing licenses;
 - (B) Removes section 2, which amends section 187A-9.5, Hawaii Revised Statutes, in order to leave the sport fish special fund unamended and thereby avoid the potential of jeopardizing federal funding associated with this special fund;
 - (C) Requires, rather than authorizes, agents of the Department of Land and Natural Resources to issue non-commercial fishing licenses upon written application and payment of a fee; and
 - (D) Allows the Department of Land and Natural Resources to suspend, in addition to revoke, any non-commercial fishing license for any infraction of the terms and conditions of the license, to provide the Department greater flexibility and discretion in dealing with violators;
- (2) Changing the time period for the resident fee cap of a combined non-commercial fishing license from August 1, 2019, through June 30, 2021, to June 1, 2020, through May 31, 2023;
- (3) Changing the resident fee cap for a combined non-commercial fishing license from \$15 to \$5 per year;
- (4) Making any licensee or applicant who has been convicted of, pled guilty or nolo contendere to, or been granted a deferred acceptance of a guilty plea to a violation of chapter 188, Hawaii Revised Statutes, in the preceding five years ineligible to obtain or renew a non-commercial fishing license;
- (5) Adopting the language suggested by the Office of Hawaiian Affairs that:
 - (A) Requires the rules adopted to implement the non-commercial fishing licensure program to allow for the exercise of Native Hawaiian traditional and customary practices by minimizing any burden on practitioners, and requires this exercise of practices to be a complete defense to a violation of the requirements of a non-commercial fishing license;
 - (B) Requires the Department of Land and Natural Resources to consider and ensure reasonable opportunities for all residents who apply for a non-commercial fishing license to ensure that persons do not face disproportionate and unreasonable burdens in complying with the fishing licensure requirements; and
 - (C) Under the requirement that the Department of Land and Natural Resources engage in robust public outreach, requires the Department to include at least one meeting on each of the seven inhabited islands of the State;
- (6) Establishing that a violation of section 188-50, Hawaii Revised Statutes, is a petty misdemeanor, except for a violation of the prohibition on fishing, taking, or catching freshwater game fish or marine life for non-commercial purposes without first obtaining a non-commercial fishing license, which is a misdemeanor;
- (7) Further extending the delayed enforcement date for the requirement to obtain a non-commercial fishing license to catch marine life to June 1, 2020; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2052, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2052, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2486 Human Services on S.B. No. 2749

The purpose and intent of this measure is to align provisions in the Hawaii Revised Statutes relating to child support guidelines to be in compliance with federal regulations.

Your Committee received testimony in support of this measure from the Department of the Attorney General. Your Committee received testimony in opposition to this measure from the Judiciary.

Your Committee finds that the federal final rule amendments to guidelines for child support payments require states to implement such amendments in their child support guidelines. Your Committee further finds that child support amounts established based on guidelines that consider specific factors relating to the parents' situation are more reliable, result in less conflict between the parents, and improve the collection of child support payments. This measure provides more opportunity for the public to be involved in the review of child support guidelines, access to information on how the review was conducted, and overall access to the guidelines.

Your Committee notes that if this measure is not enacted, the state plan that is administered by the Child Support Enforcement Agency may not be approved and federal funding provided to the Child Support Enforcement Agency and the Department of Human Services may be at risk.

Your Committee further recognizes the Judiciary's and Department of the Attorney General's concerns about the collection and analyzing of child support payment data, lack of funding to perform additional functions, and the potential for the Judiciary to be called as a witness if required to collect and track child support payments, or to be precluded from deciding case involving allegations of

child support payments. Your Committee requests that your Committees on Judiciary and Ways and Means further examine those issues and concerns should they decide to hear this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2749, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2749, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2487 Human Services on S.B. No. 2791

The purpose and intent of this measure is to:

- (1) Support ho'opono mamo, the new Hawaii youth diversion system, through the establishment of the Kawailoa Youth and Family Wellness Center, to be operated and maintained by the Hawaii Youth Correctional Facilities;
- (2) Improve and enhance Hawaii's juvenile justice system by strengthening services available to prevent juvenile delinquency and recidivism and to support rehabilitation; and
- (3) Re-invest savings from the reduction of the number of youth in secure confinement at the Hawaii Youth Correctional Facilities into services to prevent juvenile delinquency, specifically mental health and substance abuse treatment and rehabilitation, and to provide a more successful and supportive community reentry transition.

Your Committee received testimony in support of this measure from the Department of Human Services, Office of Hawaiian Affairs, Office of Youth Services, Hawaii Youth Services Network, Community Alliance on Prisons, Residential Youth Services & Empowerment, Blueprint for Change, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hale Kipa, Ho'omanopono Political Action Committee, Friends of Youth Outreach, and three individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Health and Department of Education.

Your Committee finds that the Legislature enacted Act 201, Session Laws of Hawaii 2014, to reform Hawaii's juvenile justice system, commit to improve outcomes for Hawaii's youth in the juvenile justice system, and maximize the effective use of the Hawaii Youth Correctional Facilities' appropriations and treatment options. Your Committee further finds that critical services to reduce delinquency, including mental health treatment, prevention of youth homelessness, vocational services, and substance abuse treatment, are still insufficiently resourced and inaccessible to Hawaii's at-risk youth population. This measure will allow youth and young adults, between the ages of eighteen and twenty-four, who are in the juvenile justice system to receive assistance and services needed to prevent further delinquency and recidivism.

Your Committee recognizes that allegations of an increase in juvenile arrests, particularly in Waikiki, were not caused by homeless youth and that allegations like this further stigmatize this population.

Your Committee also notes that the Department of Education has expressed the intent to meet with the Department of Human Services and Department of Health to clarify the educational needs of the youth and young adults at the proposed Kawailoa Youth and Family Wellness Center.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2791, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2791, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4; Ayes with Reservations (Green, Tokuda). Noes, none. Excused, 1 (Harimoto).

SCRep. 2488 (Joint) Human Services and Housing and Commerce, Consumer Protection, and Health on S.B. No. 2330

The purpose and intent of this measure is to:

- (1) Require the Department of Human Services, in consultation with the Department of Health, to establish a pilot project to operate a facility to provide shelter and mental health treatment for homeless individuals with severe mental illness who are subject to court-ordered involuntary hospitalization to a psychiatric facility; and
- (2) Appropriate funds for the pilot project.

Your Committees received testimony in support of this measure from The Institute for Human Services, League of Women Voters, Citizens for a Safer Windward, Hawai'i Psychological Association, Hawaii Disability Rights Center, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and ten individuals. Your Committees received comments on this measure from the Governor's Coordinator on Homelessness, Department of Human Services, Department of the Attorney General, and Department of Health.

Your Committees find that the State has a gap in services for homeless individuals with severe mental illness, as these individuals often cycle between homelessness, emergency room treatment, incarceration, and hospitalization. Your Committees further find that there are limited housing and service programs for homeless individuals with severe mental illness who have been discharged from

acute care. Providing post-acute care and supportive services for these individuals will provide them necessary time to transition into healthier and successful lives.

Your Committees have amended this measure by:

- (1) Deleting language requiring the Department of Human Services, in consultation with the Department of Health, to establish and report on a pilot project to operate a facility to provide shelter and mental health treatment for homeless individuals with severe mental illness who are subject to court-ordered involuntary hospitalization to a psychiatric facility;
- (2) Inserting language requiring the Department of Human Services, in consultation with the Department of Health, to issue a request for proposal to contract for services and housing for homeless individuals who are discharged from acute care and require further medical assistance and supportive services;
- (3) Amending the purpose of the appropriation to be for costs necessary for services and housing for homeless individuals with severe mental illness who have been discharged from acute care and require further medical treatment and other supportive services; and
- (4) Amending section 1 of the measure to reflect its amended purpose.

As affirmed by the records of votes of the members of your Committees on Human Services, Housing, and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2330, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2330, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 1 (Harimoto).

Housing: Ayes, 3. Noes, none. Excused, 2 (Green, Nishihara).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 2489 (Joint) Human Services and Commerce, Consumer Protection, and Health and Judiciary on S.B. No. 2586

The purpose and intent of this measure is to:

- (1) Authorize the Department of Health, upon receipt of a report that an entity is operating a care facility without the required certification or licensure, to investigate to determine the validity of that report, subject to certain conditions;
- (2) Establish certain actions the Department may take upon confirming a report of the operation of a care facility without certification or licensure;
- (3) Establish a misdemeanor offense for intentionally or knowingly obstructing or interfering with the Department's right of entry to a facility for its investigation; and
- (4) Establish penalties for intentionally operating a care facility without a certificate or license and knowingly referring or transferring patients to an uncertified or unlicensed care facility.

Your Committees received testimony in support of this measure from the Department of Health, Office of the Long Term Care Ombudsman, League of Women Voters, and eight individuals. Your Committees received testimony in opposition to this measure from Maile Case Management, Comprehensive Innovations for Senior Services, and nineteen individuals. Your Committees received comments on this measure from Healthcare Association of Hawaii, AARP Hawaii, and Chinatown Gateway Plaza Tenant Association.

Your Committees find that health care facilities serve a vital role in providing care to all people of Hawaii, especially elderly individuals who depend on services provided by licensed healthcare professionals and facilities. Your Committees further find that over the past few years, the number of potentially unlicensed care facilities has increased and may pose significant risk to the health, safety, and welfare of patients. In addition, the Department of Health has been hampered in conducting investigations on unlicensed care facility operators who refuse to speak with the Department's investigators or to allow entry for the purpose of determining if the facility is operating without a certificate or license. Authorizing the Department to investigate care facilities will ensure that all care facilities are certified and licensed to provide the necessary care to their patients.

Your Committees have amended this measure by:

- (1) Inserting a purpose section;
- (2) Inserting definitions for the terms "care facility", "department", "health care provider", "person", and "vulnerable adult";
- (3) Requiring the Department of Health to exercise its right of entry pursuant to a warrant; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services, Commerce, Consumer Protection, and Health, and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2586, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2586, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 1 (Wakai).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Espero).

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Kim).

SCRep. 2490 (Joint) Water and Land and Judiciary on S.B. No. 2079

The purpose and intent of this measure is to protect sharks and rays for ecological purposes, their value to the ocean recreation industry, and their value to Native Hawaiian cultural practices by:

- (1) Prohibiting and imposing penalties and fines for knowingly capturing, killing, or taking a shark within state marine waters, and providing exceptions for certain special activity permits, the exercise of Native Hawaiian gathering rights and traditional cultural practices, and the protection of public safety; and
- (2) Expanding the existing prohibition on knowingly capturing or killing a manta ray to apply to all rays.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; The Humane Society of the United States; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; For the Fishes' West Hawaii Humane Society; Keiko Conservation International; Animal Rights Hawai'i; Hawaiian Civic Club of Honolulu; Center for Hawaiian Sovereignty Studies; One Ocean Research; One Ocean Global Team Maui; Ho'omana Pono, LLC; Pony Wave; and approximately two hundred sixty individuals. Your Committees received testimony in opposition to this measure from two individuals. Your Committees received comments on this measure from the Office of Hawaiian Affairs.

Your Committees find that sharks and rays are extremely important to ocean ecosystems. Sharks and rays are more vulnerable than most other fish species. They are long-lived and slow-growing, start reproducing at an advanced age, and produce relatively few offspring per year. Protection for sharks and rays ultimately means healthier, more resilient oceans and reefs that are better able to withstand pressures on the ocean ecosystem from climate change and pollution. Sharks and rays on the reefs not only play important ecological roles, but are also valued figures in Hawaiian culture and are important economically to ocean recreation industries and to tourism in Hawaii. By imposing penalties and fines to protect sharks and all rays in state marine waters, this measure recognizes the benefits of maintaining viable populations of these species.

Your Committees have amended this measure by:

- (1) Adopting the language suggested by the Department of Land and Natural Resources to add knowingly possessing, abusing, or entangling a shark or ray, whether alive or dead, to the list of prohibited types of actions upon a shark or ray;
- (2) Expanding the list of prohibited types of actions upon a ray to include knowingly taking a ray;
- (3) Removing the exemption for the exercise of Native Hawaiian gathering rights and traditional cultural practices from the prohibition on shark takings, and adding language to clarify that nothing in that offense shall be construed to restrict the exercise of Native Hawaiian gathering rights and traditional cultural practices protected pursuant to the state constitution;
- (4) Adding language to clarify that nothing in the prohibition on the taking of rays shall be construed to restrict the exercise of Native Hawaiian gathering rights and traditional cultural practices protected pursuant to the state constitution;
- (5) Adding the Hawaiian name manō for sharks and hīhīmanu for rays to the respective section titles of the two prohibitions;
- (6) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2079, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2079, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Water and Land: Ayes, 3. Noes, none. Excused, 2 (Inouye, Thielen).
 Judiciary: Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 2491 Commerce, Consumer Protection, and Health on S.B. No. 3053

The purpose and intent of this measure is to legalize the manufacturing of edible cannabis products for medical purposes and establish basic regulations on edible cannabis products.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Drug Policy Forum of Hawaii, and five individuals. Your Committee received testimony in opposition to this measure from the Department of Health, Honolulu Police Department, Maui Police Department, Hawaii Family Forum, Hawaii Catholic Conference, and Department of the Prosecuting Attorney of the City and County of Honolulu. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that several states permit the sale of edible cannabis products, either for medical or recreational use. These states generally place restrictions on the edible cannabis products, such as limiting the amount of psychoactive ingredients per serving, banning manufacturers from making candy-like edibles that may attract children, and requiring proper labeling.

Your Committee has heard the concerns of the Department of Health, Department of the Attorney General, and other testifiers about the risk of confusion and contamination between edible cannabis products and food, and about the quality control issues associated with production of edible cannabis products in home or substandard kitchens or in a commercial kitchen that also produces non-cannabis food products. Your Committee has also heard the concerns of the Honolulu Police Department, Maui Police Department, Hawaii Family Forum, Hawaii Catholic Conference, and Department of the Prosecuting Attorney of the City and County of Honolulu with respect to the increased risk of exposure to children. However, your Committee finds that the medical cannabis law provides for development of medical cannabis products other than the dried flowers of the cannabis plant. Thus, this measure warrants further discussion.

Your Committee has amended this measure by:

- (1) Based on amendments requested by the Department of Health, amending the health, safety, and sanitation standards regarding the manufacture of manufactured cannabis products by:
 - (A) Requiring those products to be manufactured in a facility that meets minimum sanitary requirements that are at least equivalent to standards for food establishments provided for in chapter 11-50, Hawaii Administrative Rules;
 - (B) Prohibiting the manufacturing of those products in a home kitchen or a facility permitted as a food establishment; and
 - (C) Making a conforming amendment to the definition of “edible cannabis products”;
- (2) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3053, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3053, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Espero).

SCRep. 2492 (Joint) Hawaiian Affairs and Water and Land and Judiciary on S.B. No. 2136

The purpose and intent of this measure is to:

- (1) Establish \$35,000,000 as the Office of Hawaiian Affairs’ pro rata share of the public land trust;
- (2) Appropriate funds for the underpayment of the pro rata share to the Office of Hawaiian Affairs for the period from July 1, 2012 to June 30, 2018;
- (3) Require the Department of Land and Natural Resources to provide an annual accounting of receipts from lands within the public trust pursuant to section 5(f) of the Admissions Act; and
- (4) Establish a public land trust revenues committee to periodically study and make recommendations regarding the Office of Hawaiian Affairs’ annual pro rata share of income and proceeds from lands in the public land trust.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs; Stacy Helm Crivello, Councilmember of the County of Maui; Susan L. K. Lee Loy, Councilmember of the County of Hawai‘i; Hawaiian Civic Club of Honolulu; KAHEA: The Hawaiian Environment Alliance; Hawaiian Affairs Caucus of the Democratic Party of Hawaii; Kalihi-Palama Hawaiian Civic Club; Ho‘omanapono Political Action Committee; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Society for Hawaiian Archaeology; We Are One, Inc.; United Public Workers; and twenty-four individuals. Your Committees received testimony in opposition to this measure from the Department of Transportation, Common Cause Hawaii, and Center for Hawaiian Sovereignty Studies. Your Committees received comments on this measure from the Office of the Governor, Department of the Attorney General, Department of Budget and Finance, University of Hawai‘i, Department of Land and Natural Resources, and League of Women Voters.

Your Committees find that Act 178, Session Laws of Hawaii 2006 (Act 178), established the Office of Hawaiian Affairs’ annual pro rata share of income and proceeds from lands in the public land trust as \$15,100,000. This amount was based in part on certain ancillary receipts from state airports and was supported by testimony of the Department of the Attorney General. Act 178 was intended as an interim measure to ensure that the Office of Hawaiian Affairs received its pro rata portion of the public land trust until the Legislature took further action and until more data on receipts generated by the public land trust became available. The amount determined in Act 178 was used in 2001 and most recently in 2006, but enough time has elapsed that the amount should be considered for adjustment. Your Committees find that it is time to establish a new amount. The idea of periodically revisiting the Office of Hawaiian Affairs’ interim amount was supported by testimony of the Office of Hawaiian Affairs, Department of the Attorney General, and Department of Budget and Finance.

Consistent with the 1997 Federal Airport Forgiveness Act that states its restriction on airport fund transfers does not affect the State’s obligation to Native Hawaiians, and past actions by the Legislature to transfer to the Office of Hawaiian Affairs analogous receipts for revenue generated at the airport, your Committees note that this measure uses revenue generated from the use of lands in the public land trust at the airport to calculate the Office of Hawaiian Affairs’ new interim amount.

Further, your Committees note that section 5(f) of the Admissions Act states that certain ceded lands, “together with the proceeds from the sale or other disposition of any such lands and the income therefrom, shall be held by said State as a public trust for the support of the public schools and other public educational institutions, for the betterment of the conditions of native Hawaiians . . .” Your Committees emphasize that funding for Hawaiian immersion schools and payments to the Office of Hawaiian Affairs are consistent with the purposes set forth in the Admissions Act.

Your Committees understand the frustration felt by the Office of Hawaiian Affairs regarding the receipt of its pro rata share from other state agencies. While the amount remains debatable amongst the state agencies, your Committees believe that a solution is necessary. Your Committees suggest that the Office of Hawaiian Affairs consider the possibility of accepting land in lieu of any cash payments due to the Office upon passage of this measure, to better address the needs of the Office of Hawaiian Affairs.

Your Committees have amended this measure by:

- (1) Blanking out the pro rata amount and appropriation amount;

- (2) Replacing the Department of Land and Natural Resources with the Department of Budget and Finance as the agency responsible for providing an accounting for all receipts from lands described in section 5(f) of the Admission Act for the prior fiscal year;
- (3) Inserting language that the airport revenue, as well as any shortfall in the payments due to the Office of Hawaiian Affairs, shall be equitably shared by each agency;
- (4) Allowing the Governor, President of the Senate, Speaker of the House of Representatives, Chairperson of the Board of Trustees of the Office of Hawaiian Affairs, and other named members to authorize designees to the Public Lands Revenue Committee; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note that although the monetary amounts are blank, the Office of Hawaiian Affairs' testimony requests that the pro rata share be \$35,000,000 per year, and the back payment be a one-time transfer of \$119,000,000.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs, Water and Land, and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2136, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2136, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 4. Noes, none. Excused, 1 (Green).

Water and Land: Ayes, 3. Noes, none. Excused, 2 (Inouye, Thielen).

Judiciary: Ayes, 3. Noes, none. Excused, 2 (Kim, Thielen).

SCRep. 2493 (Joint) Hawaiian Affairs and Higher Education and Judiciary on S.B. No. 2687

The purpose and intent of this measure is to appropriate funds to the University of Hawaii to translate the Hawaii State Constitution into the Hawaiian language.

Prior to the public hearing on this measure, your Committees posted on the Legislature's website for public review and input a proposed S.D. 1 draft (Proposed Draft), and notified the public that your Committees would be accepting testimony on this draft. The Proposed Draft included a Part II to the measure that would add a new section to chapter 601, Hawaii Revised Statutes, to require a court to provide interpreter services if any party to a proceeding requests that the proceeding be conducted in the Hawaiian language.

Your Committees received testimony in support of the Proposed Draft from the Judiciary, Office of Hawaiian Affairs, University of Hawaii System, University of Hawaii at Hilo, fourteen members of 'Aha Pūnana Leo, 'Ahahui Sīwila 'o Ke Aloha 'Aīna, Hawai'i Center for Food Safety, Hawaiian Civic Club of Honolulu, Ho'omanā Pono, LLC, Ho'omanāpono Political Action Committee, Ka Lāhui Hawai'i Political Action Committee, Keaukaha General Store, Kuamoo Foundation, Lost Kingdom Klothing, National Coalition of Native American Language Schools and Programs, and one hundred forty-three individuals.

Your Committees received testimony in opposition to the Proposed Draft from the Center for Hawaiian Sovereignty Studies.

Your Committees received comments on the Proposed Draft from the Maui Department of the Prosecuting Attorney and three individuals.

Your Committees are keenly aware that during a dark chapter in Hawaii's history, use of the Hawaiian language was banned in public and private schools in 1896; teachers were subject to termination of employment for speaking Hawaiian with students, and students were punished for speaking Hawaiian at school. Use of the Hawaiian language was also prohibited for government business by the Organic Act of 1900. The Hawaiian language, Hawaiian culture, and Native Hawaiian ancestry came to be viewed negatively, relative to the Western culture of Hawaii's colonizers. Although the Hawaiian cultural renaissance and Constitutional Convention of 1978 helped Native Hawaiians reclaim their dignity by, among other things, recognizing Hawaiian as an official language of the State, establishing the Office of Hawaiian Affairs, and laying the groundwork for the return of Kahoolawe as a cultural resource to the State, the Hawaiian language itself was on a path to extinction. In 1978, there were only approximately two thousand Hawaiian speakers left. By the 1980s, the number of fluent Hawaiian speakers under the age of eighteen had dwindled to fifty.

The tide began to turn when concerned parents, who realized the Hawaiian language would die if not passed on to the next generation, created the 'Aha Pūnana Leo Hawaiian language immersion preschools. The first such school opened in 1984, two more followed in 1985, and twelve preschools and two infant-toddler programs that span five islands exist today. Other significant developments include: the Department of Education's establishment of a Hawaiian Language Immersion Program in 1986 that currently offers Hawaiian language instruction for grades K-12; the University of Hawaii at Manoa's Kawaiuelani Center for Hawaiian Language that offers undergraduate and graduate degree programs in Hawaiian and training of teachers for Hawaiian language immersion schools; and the University of Hawaii at Hilo's Ka Haka 'Ula O Ke'elikōlani College of Hawaiian Language that has the distinction of being the world's first college to provide instruction through a Hawaiian language medium.

Your Committees find that existing constitutional and statutory provisions illustrate the importance of the Hawaiian language in the State and justify its expanded use in official government settings. These provisions include:

- (1) Enactment of Act 207, Session Laws of Hawaii 1978, which established 'Ōlelo Hawai'i, the Hawaiian language, as the native language of Hawaii. See section 5-6.5, Hawaii Revised Statutes;
- (2) Recognition of the Hawaiian language as an official language of the State. See Article XV, section 4, of the Constitution of the State of Hawaii;

- (3) Requiring the State to promote “the study of Hawaiian culture, history and language” and provide for a Hawaiian education program and using community expertise “as a suitable and essential means in furtherance of the Hawaiian education program.” See Article X, section 4, of the Constitution of the State of Hawaii;
- (4) Recognition by Congress that the right of Native Hawaiians to “express themselves” through the use of the Hawaiian language “*shall not be restricted in any public proceeding*, including publicly supported education programs” (italic emphasis added). See Native American Languages Act of 1990, 25 U.S.C. 2901 et seq.;
- (5) Affirmation by the Legislature in 1992 of the importance of the Hawaiian language in government, by authorizing the use of kahakō and ‘okina in documents prepared by and for the government, its agencies, and its officials. See section 1-13.5, Hawaii Revised Statutes; and
- (6) Designation of February as Mahina ‘Ōlelo Hawai‘i or Hawaiian Language Month via Act 28, Session Laws of Hawaii 2013, which was the first law to be introduced, enacted, and published in ‘Ōlelo Hawai‘i since 1943. See section 8-24, Hawaii Revised Statutes.

Your Committees also find that while there is renewed interest in studying the Hawaiian language and ample opportunities exist to do so in academic settings today, the State’s legal infrastructure has not kept pace with the ever-growing population of Hawaiian language speakers. A well-publicized example is the recent incident on Maui involving an associate professor of Hawaiian Studies at the University of Hawaii Maui College who was penalized by the court for expressing himself in Hawaiian during criminal proceedings that arose from his participation in a protest against construction of the Daniel K. Inouye Solar Telescope atop Haleakala. A warrant was issued for the associate professor’s arrest when he refused to identify himself on the record in English and spoke in Hawaiian instead. The warrant was later withdrawn.

Your Committees further find that, historically, Hawaiian language speakers were accommodated by the Judiciary. Although the use of English had become increasingly prevalent in Hawaii’s courts by 1876, Hawaiian translations of English language indictments were provided upon request, and foreigners appointed to district judgeships were required to be proficient in the Hawaiian language. It was not until the Organic Act of 1900, when persons who were not proficient in English were disqualified from jury service, that English became the exclusive de facto language of the court system.

Your Committees recognize that the State’s modern-day Judiciary has been respectful of the Hawaiian culture and has begun to modernize legal infrastructure to support the use of Hawaiian in the courts. A recent example is the work of the Judiciary’s Hawaiian Language Web Feasibility Task Force and its 2015 report to the Legislature that identified a number of ways the Judiciary can be more responsive to the needs of Hawaiian language speakers. Your Committees also recognize and appreciate the Judiciary’s policy as of January 26, 2018, to ensure that an interpreter may be used in court proceedings when a party wishes to communicate in Hawaiian. Accordingly, your Committees find that the passage of this Act is consistent with prior precedents and furthers the goal of providing Hawaiian language speakers meaningful opportunities to conduct official business in Hawaiian.

Moreover, your Committees find that, in order to give the Hawaiian language genuine co-equal status with English, the State must create meaningful opportunities for use of Hawaiian in public life, especially in the arena of civic engagement; otherwise, its constitutional status as an official language of the State amounts to nothing more than mere tokenism.

Your Committees have amended this measure by adopting the Proposed Draft with the following further amendments:

- (1) Deleting a reference in the measure’s preamble to the State Constitution being published in the English language;
- (2) Clarifying that the requirement that courts provide interpreter services, if any party to a proceeding requests that the proceeding be conducted in the Hawaiian language, applies to the extent reasonably possible;
- (3) Adding an appropriation for the establishment of one full-time equivalent, civil service exempt position in the Judiciary to provide interpreter services in the Hawaiian language; and
- (4) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

Your Committees intend that the Hawaiian language interpreter services provided for in this measure be utilized by bona fide speakers of the Hawaiian language.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs, Higher Education, and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2687, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2687, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 5. Noes, none. Excused, none.

Higher Education: Ayes, 4. Noes, none. Excused, 1 (Kidani).

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

SCRep. 2494 (Joint/Majority) Economic Development, Tourism, and Technology and Public Safety, Intergovernmental, and Military Affairs and Government Operations on S.B. No. 2702

The purpose and intent of this measure is to:

- (1) Establish the Hawaii Aerospace Development Corporation;
- (2) Transfer the rights, powers, functions, and duties of the Office of Aerospace Development and Pacific International Space Center for Exploration Systems to the Hawaii Aerospace Development Corporation; and
- (3) Repeal the Office of Aerospace Development and the Pacific International Space Center for Exploration Systems.

Your Committees received testimony in support of this measure from the University of Hawai'i and one individual. Your Committees received testimony in opposition to this measure from the State Procurement Office and three individuals. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Budget and Finance; Department of Taxation; Office of Information Practices; Life of the Land; RedWorks Construction Technologies Inc.; and four individuals.

Your Committees find that Hawaii plays an important role in the development of the aerospace industry, given Hawaii's strategic near-equatorial location, substantial telemetry, space surveillance, and resident expertise in a broad range of aerospace-related technologies. Your Committees further find that combining the resources, goals, and expertise of the Office of Aerospace Development and Pacific International Space Center for Exploration Systems will allow the State to direct its efforts in advancing Hawaii in the aerospace industry.

Your Committees have amended this measure by:

- (1) Deleting language that exempts the Hawaii Aerospace Development Corporation from the Hawaii Public Procurement Code to solicit competitive sealed bids for certain contracts;
- (2) Adopting the language suggested by the Office of Information Practices that makes the confidentiality provision more consistent with the Uniform Information Practices Act and the Sunshine Law;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology, Public Safety, Intergovernmental, and Military Affairs, and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2702, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2702, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3; Ayes with Reservations (Thielen). Noes, none. Excused, 2 (Baker, Galuteria).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4; Ayes with Reservations (Ihara, Nishihara, Thielen). Noes, none. Excused, 1 (Baker).

Government Operations: Ayes, 3; Ayes with Reservations (Galuteria, Keith-Agaran, Kim). Noes, 1 (Ruderman). Excused, 1 (Rhoads).

SCRep. 2495 (Joint) Economic Development, Tourism, and Technology and Commerce, Consumer Protection, and Health on S.B. No. 2704

The purpose and intent of this measure is to establish the policy framework to upgrade and support next generation wireless broadband infrastructure.

Your Committees received testimony in support of this measure from the Office of Enterprise Technology Services; Yuki Lei Sugimura, Councilmember of the Maui County Council; CTIA; Sprint; Verizon; Hawaiian Telcom; Maui Hotel and Lodging Association; Hawaiian Electric Company; T-Mobile US; AT&T; Hawai'i Lodging and Tourism Association; and Transform Hawai'i Government. Your Committees received testimony in opposition to this measure from the Office of the Mayor, County of Hawai'i; and Spectrum. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs; Office of the Mayor, City and County of Honolulu; and Department of Transportation.

Your Committees find that Hawaii residents continue to demand access to wireless products and services, and currently there are more wireless devices in Hawaii than there are people. The State must be prepared to meet these demands by updating its wireless network and facilities to support the necessary networks. Your Committees further find that updating the State's wireless network begins with establishing laws that permit the application of attachments to state-owned or county-owned infrastructure, such as utility poles.

Your Committees recognize the concerns of establishing a permitting, application, review, and approval process in order to upgrade the wireless broadband infrastructure in the State. Your Committees have received testimony stating the concerns of public safety, prohibition on regulation of deployment, unfair imposition of fees, interference with county uses of county poles, community concerns, and other concerns regarding the process. Your Committees have worked to address the concerns of certain parties involved and feel that the collaborative work to address certain concerns are reflected in proposed amendments to this measure.

Accordingly, your Committees have amended this measure by:

- (1) Applying this measure to communications service providers in addition to wireless providers and making this measure inapplicable to utility poles and infrastructure owned by investor owned utility companies;
- (2) Inserting definitions for "communications service" and "wireline backhaul" and updating various definitions;
- (3) Prohibiting wireless carriers from building out wireline backhaul and clarifying that this measure shall not be construed to modify existing permitting processes for the placement of wireline backhaul in the right of way;
- (4) Allowing an applicant to file a consolidated application for up to twenty-five small wireless facilities within a three square mile radius; provided that the applicant, upon receiving a permit for a consolidated application, publishes notice of the permit within ten days of receiving the permit;

- (5) Clarifying that a communications service provider is exempt from the permitting requirement for replacement of small wireless facilities with small wireless facilities that are substantially similar or the same size or weight or smaller, subject to notification requirements;
- (6) Allowing the State and counties to reserve space for up to twelve months on their utility poles, subject to certain conditions;
- (7) Requiring the State or county to conduct an evaluation of the sufficiency of the time periods allowed under this measure for the State and counties to notify applicants in writing that an application is complete and to approve or deny the application after receipt; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2704, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2704, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Espero, Nishihara).

SCRep. 2496 Economic Development, Tourism, and Technology on S.B. No. 2224

The purpose and intent of this measure is to:

- (1) Require all hotelkeepers to post, no later than January 1, 2019, in each hotel room occupied by a hotel guest, an ocean safety information sheet developed by the Hawaii Tourism Authority; and
- (2) Require the Hawaii Tourism Authority to develop an ocean safety information sheet to be posted in each hotel room.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which deletes the contents of the measure and inserts language to:

- (1) Rename the convention center enterprise special fund as the convention center operations and maintenance special fund;
- (2) Repeal the allocation of the transient accommodations tax to that fund and amend the authorized uses of the fund; and
- (3) Redistribute the allocation of transient accommodation tax revenue from the Hawaii Tourism Authority to other state agencies for certain purposes.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Land and Natural Resources. Your Committee received testimony in opposition to the proposed S.D. 1 from the Department of Business, Economic Development, and Tourism and the Hawaii Tourism Authority. Your Committee received comments on the proposed S.D. 1 from the Department of Budget and Finance, Office of the Auditor, and University of Hawai'i System.

Your Committee finds the existing allocation of revenue from the transient accommodations tax should be amended to address the specific needs of agencies that work with, or are impacted by, the tourism industry. Your Committee believes that directly allocating the revenue from the transient accommodations tax to the appropriate agency, as proposed by this measure, will better ensure that the specific areas affected by the tourism industry receive resources needed to remedy any concerns that arise from the tourism industry.

Your Committee further finds that the definition of "administrative expenses", as currently used in section 201B-11, Hawaii Revised Statutes, is vague and has resulted in confusion as to the specific expenses for which the tourism special fund may be used. Your Committee believes that the definition needs to be refined to avoid any further confusion.

Accordingly, your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Defining "administrative expenses", as used in section 201B-11(c), Hawaii Revised Statutes, as office equipment, salaries, and supplies; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2224, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2224, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2497 Economic Development, Tourism, and Technology on S.B. No. 2644

The purpose and intent of this measure is to:

- (1) Require broadband internet access service providers to be transparent with network management practices, performance, and commercial terms of its broadband internet access services;
- (2) Prohibit broadband internet access providers from preventing equal access to the Internet by interfering with internet access; and

- (3) Require an applicant to comply with certain practices in order to obtain broadband-related permits for a state-granted or county-granted right to attach small cell or other broadband wireless communication devices to utility poles.

Your Committee received testimony in support of this measure from the Department of Education; Department of Business, Economic Development, and Tourism; and Hawaiian Electric Company, Inc. Your Committee received testimony in opposition to this measure from Spectrum, AT&T, and CTIA. Your Committee received comments on this measure from Hawaiian Telcom.

Your Committee finds that recent action of the federal government in repealing net neutrality has caused distress and concern about the freedom from undue influence or interference in legal content from the Internet. Your Committee believes that the State must preserve the principles of net neutrality and provide an environment that supports open and free access to the Internet. Your Committee recognizes the concerns of legality in challenging the federal government's ruling to repeal net neutrality; however, your Committee believes the State has a duty to do its part to protect equal access to independent content on the Internet.

Your Committee has amended this measure, as suggested by Hawaiian Telcom, by:

- (1) Deleting language that would require an applicant for broadband-related permits to comply with certain practices when seeking a state-granted or county-granted right to attach broadband communication devices to utility poles; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2644, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2644, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

SCRep. 2498 (Joint) Economic Development, Tourism, and Technology and Education on S.B. No. 2879

The purpose and intent of this measure is to require the Office of Enterprise Technology Services to work with the Department of Education to establish a working group to study the Department's information technology infrastructure, operations, and services.

Your Committees received testimony in support of this measure from the Department of Education, Office of Enterprise Technology Services, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that the Department of Education, unlike other state agencies, handles its own information technology services, including operating its own broadband network, internet services, and more. Your Committees further find that the Office of Enterprise Technology Services has worked with other state agencies and has been able to save the Executive Branch \$11,800,000 by leveraging similar infrastructure throughout the State. Your Committees believe it would be to the benefit of the Department of Education to work in collaboration with the Office of Enterprise Technology Services to establish a working group to look at the Department's information technology services.

Your Committees have amended this measure by:

- (1) Inserting language to specify the membership of the working group; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2879, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2879, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).
Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

SCRep. 2499 (Joint) Education and Water and Land on S.B. No. 2919

The purpose and intent of this measure is to:

- (1) Establish a pilot program to generate revenue through the lease of public library lands to meet the mission of the public libraries;
- (2) Establish the library facilities fund;
- (3) Require the Board of Education to submit a report to the Legislature prior to the Regular Session of 2019; and
- (4) Appropriate funds for the pilot program.

Your Committees received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii. Your Committees received comments on this measure from the Department of Budget and Finance and Hawaii State Public Library System.

Your Committees find that public libraries provide an invaluable service to the community. However, there is a need to examine new and innovative methods of generating funds to support the mission of the public libraries. Consequently, your Committees find that generating funds through the lease of public library lands may provide a viable source of funding for the public libraries. Accordingly, your Committees find that it is appropriate to establish a pilot program to generate revenue through the lease of public

library lands to meet the mission of the public libraries to be facilitated by the State Librarian, Board of Education, and any other appropriate agencies.

Your Committees have amended this measure by replacing the Board of Education as the expending agency of the proposed appropriation with the Hawaii State Public Library System.

As affirmed by the records of votes of the members of your Committees on Education and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2919, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2919, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Espero).

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 2500 (Joint) Education and Hawaiian Affairs and Higher Education on S.B. No. 2779

The purpose and intent of this measure is to:

- (1) Increase membership on the Hawaii Teacher Standards Board to include the chairperson of the Native Hawaiian Education Council and a non-voting public university student teacher; and
- (2) Clarify that a permit is required for non-licensed teachers serving in public schools.

Your Committees received testimony in support of this measure from the Department of Education; Office of Hawaiian Affairs; Hawaii Teacher Standards Board; Native Hawaiian Education Council; Ho'omanapono Political Action Committee; Ho'omana Pono, LLC; Hawaiian Civic Club of Honolulu; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and several individuals. Your Committees received comments on this measure from the University of Hawai'i System.

Your Committees find that the addition of a representative from the Native Hawaiian Education Council to the Hawaii Teachers Standards Board will provide insight to teacher preparation and licensure policies that will support Hawaiian education programs incorporating the study of Hawaiian culture, history, and language. Additionally, the inclusion of a non-voting teacher candidate member to the Hawaii Teachers Standards Board will provide feedback from emerging teachers to improve preparation program policies and procedures.

Your Committees further find that clarifying the existing requirements that public school teachers must have to be eligible to serve as a public school teacher ensures that children are receiving quality education by trained and certified professionals.

Your Committees have amended this measure by:

- (1) Removing the requirement to allow for a permit to be renewed every ten years;
- (2) Clarifying that the restoration of a license or permit shall require compliance with the renewal requirements provided by law or administrative rule and payment of all applicable renewal and late fees; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education, Hawaiian Affairs, and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2779, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2779, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Espero).

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (English, Green).

Higher Education: Ayes, 5. Noes, none. Excused, none.

SCRep. 2501 (Joint) Education and Higher Education on S.B. No. 2507

The purpose and intent of this measure is to:

- (1) Require and appropriate funds for the Department of Education to:
 - (A) Develop and implement a statewide computer science curricula plan for public schools; and
 - (B) Permit students to fulfill certain graduation requirements through computer science coursework; and
- (2) Require the University of Hawaii to permit applicants to fulfill certain admission requirements through computer science coursework.

Your Committees received testimony in support of this measure from HawaiiKidsCAN; Ho'omana Pono, LLC; Hawaii Island Economic Development Board; Code.org; Women in Technology (Maui Economic Development Board); Microsoft Corporation; Dev League Inc.; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and four individuals. Your Committees received comments on this measure from the Department of Education and University of Hawai'i System.

Your Committees find that computing-based occupations make up more than two-thirds of all projected new jobs in the science, technology, engineering, and mathematics fields, commonly known as STEM fields. This means that college graduates with computer science degrees are in high demand among employers across the nation.

Your Committees further find that there is a disparity between the demand for computer science education and its availability as only forty percent of schools offer such courses. The integration and prioritization of computer science curriculum in public schools

may prepare students for fields related to computer science that have the potential to drive job growth and innovation throughout the economy.

Your Committees have heard the testimony of the Department of Education expressing concerns related to computer science standards, the state leadership team's efforts, teacher certifications, high school course offerings, and contracts for professional development. Your Committees find that these issues raise concerns that merit further consideration and request that your Committee on Ways and Means further examine those issues and concerns should they choose to hear this measure.

Your Committees have amended this measure by:

- (1) Specifying that any unexpended and unencumbered balance of the appropriation as of the close of business on June 30, 2019, instead of June 30, 2021, shall lapse; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2507, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2507, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 5. Noes, none. Excused, none.

Higher Education: Ayes, 5. Noes, none. Excused, none.

SCRep. 2502 (Joint) Education and Labor and Human Services on S.B. No. 2905

The purpose and intent of this measure is to:

- (1) Establish an income tax credit for employers who create on-site early childhood facilities; and
- (2) Establish and appropriate funds for one on-site early childhood facility coordinator position.

Your Committees received testimony in support of this measure from the Executive Office on Early Learning; Ho'omana Pono, LLC; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and three individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Department of Human Services, Department of Taxation, and Tax Foundation of Hawaii.

Your Committees find that Hawaii has one of the highest costs for child care in the nation. In many cases, the costs for child care for two children are as much as one full-time working parent would make in a year after taxes, leading to one parent leaving the workforce to care for children on a full-time basis in many families. Kindergarten teachers within the Department of Education have indicated that children who do not attend pre-kindergarten programs can be eighteen to twenty-four months developmentally behind their peers who do attend preschool. The creation of on-site early childhood facilities by employers can increase employee retention while providing affordable access to early childhood learning programs.

Your Committees have amended this measure by:

- (1) Clarifying the use of the term "qualified costs" throughout the measure;
- (2) Exempting employers who close an early childhood facility before the minimum of ten years from credit recapture if the Department of Human Services certifies that the employer closed the facility for reasonable cause;
- (3) Inserting a blank annual aggregate cap for the on-site early childhood facility tax credit;
- (4) Inserting an effective date of July 1, 2019; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education, Labor, and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2905, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2905, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

Labor: Ayes, 3. Noes, none. Excused, 2 (English, Taniguchi).

Human Services: Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 2503 (Joint) Agriculture and Environment and Water and Land on S.B. No. 2839

The purpose and intent of this measure is to establish a new agricultural enterprise program within the Department of Agriculture to plan, design, construct, operate, manage, maintain, repair, demolish, and remove infrastructure on any lands under the jurisdiction of the Department, to support and promote agriculture and to accept the transfer of qualifying agricultural enterprises and agricultural enterprise lands from the Department of Land and Natural Resources for the program.

Your Committees received testimony in support of this measure from the Department of Agriculture; Hawaii Cattlemen's Council, Inc.; Ulupono Initiative; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and one individual. Your Committees received testimony in opposition to this measure from Animal Rights Hawai'i.

Your Committees find that article XI, section 3, of the Hawaii State Constitution establishes in part that the "State shall conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands." Your Committees further find that many diversified farming operations do not have adequate resources to expand or maximize their productivity. Your Committees believe that it is in the State's best interest to give the Department of

Agriculture flexibility to move forward with agricultural educational training, farmers' markets, and food hubs and processing facilities on state agricultural lands to promote and support diversified agriculture and ensure agricultural sustainability.

Your Committees note that determination should be made as to whether the Department of Agriculture should create a new, third category of lands under its management, or whether it is preferable to amend the definition of agricultural uses to reflect modern, diversified agriculture, and for the definition of bona fide farmer to include the farmer training programs offered by the University of Hawaii College of Tropical Agriculture and Human Resources.

Your Committees have amended this measure by:

- (1) Clarifying that "agricultural enterprise" means an activity directly and primarily supporting the production and sale of Hawaii agriculture;
- (2) Deleting language that would have allowed the Department of Agriculture to develop agricultural enterprise lands and agricultural enterprises exempt from all statutes, ordinances, charter provisions, and rules of any governmental agency relating to planning, zoning, construction standards for subdivisions, development and improvement of land, and construction of buildings thereon;
- (3) Inserting an effective date of July 1, 2025, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2839, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2839, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2504 Commerce, Consumer Protection, and Health on S.B. No. 2651

The purpose and intent of this measure is to specify certain felonies that will preclude employment at medical cannabis dispensaries, rather than make ineligible for employment all individuals who have been convicted of any felony.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii Educational Association for Licensed Therapeutic Healthcare, Drug Policy Forum of Hawaii, Maui Grown Therapies, Kine Bottles, Patients Without Time, and one individual. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu. Your Committee received comments on this measure from the Department of the Attorney General, Department of Health, and two individuals.

Your Committee finds that existing law prohibits a medical cannabis dispensary from hiring any person convicted of a felony, a categorical prohibition that is applied regardless of the nature of the crime, or how long ago the crime occurred. Your Committee is well aware of the need to maintain a high standard for public safety regarding employment at medical cannabis dispensaries. However, your Committee is also cognizant of the fact that the circumstances and severity of felony offenses vary widely. Thus, a broad prohibition from employment against anyone with a felony conviction may be unduly restrictive. Accordingly, this measure specifies certain felonies that will preclude employment at medical cannabis dispensaries, rather than rendering ineligible for employment all individuals with a felony conviction.

However, your Committee has heard the concerns that this measure, as introduced, may have unintended consequences by allowing medical cannabis dispensaries to hire individuals convicted of the most serious felonies. Your Committee understands these concerns and concludes amendments to this measure are necessary to specify those felonies that will fall under a blanket prohibition against employment at a medical cannabis dispensary.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that medical cannabis dispensaries shall deny employment to any individual who has been convicted of:
 - (A) A class A or class B felony; or
 - (B) A class C felony involving trafficking, distributing, or promoting a schedule I or II drug other than cannabis within the last ten years;
- (2) Clarifying that medical cannabis dispensaries may deny employment to any individual who has been convicted of a class C felony involving:
 - (A) Fraud, deceit, misrepresentation, embezzlement, or theft; or
 - (B) Endangering the welfare of a minor;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2651, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2651, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Ihara). Noes, none. Excused, 1 (Espero).

SCRep. 2505 Labor on S.B. No. 2555

The purpose and intent of this measure is to require the Employees' Retirement System to divest its investment portfolio of coal, oil, and gas companies within five years.

Your Committee received testimony in support of this measure from Life of the Land; 350Hawaii.org; West Hawaii Community Health Center; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; We Are One, Inc.; and fourteen individuals. Your Committee received testimony in opposition to this measure from the Board of Trustees of the Employees' Retirement System and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that the State must act to demonstrate its commitment to addressing climate change in practical application. Investment in fossil fuel companies can discourage investment in competing renewable energy technologies, and therefore impedes Hawaii from achieving its renewable portfolio standard goal of one hundred percent by 2045. New York state announced in December 2017 that it will divest its pension-fund investments in fossil fuels and the Norwegian Sovereign Wealth Fund, the largest sovereign-wealth fund in the world, began work on fossil fuel divestment in November of 2017. Cities across the United States have also announced plans for fossil fuel divestment, including New York City, San Francisco, Seattle, and Washington, D.C. Accordingly, your Committee finds that, in line with the State's sustainability goals and in adherence to the Paris Agreement as committed to by Act 32, Session Laws of Hawaii 2017, it is in the best interest of the State that the Employees' Retirement System looks to divest its investment portfolio of coal, oil, and gas companies.

Your Committee has amended this measure by:

- (1) Requiring the Employees' Retirement System to divest its investment portfolio of coal, oil, and gas companies by an unspecified date;
- (2) Inserting an effective date of January 1, 2045, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2555, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2555, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Taniguchi). Noes, none. Excused, none.

SCRep. 2506 Commerce, Consumer Protection, and Health on S.B. No. 2654

The purpose and intent of this measure is to decrease the use of electronic smoking devices, especially by young users, by:

- (1) Prohibiting the shipment of tobacco products to anyone other than a licensee;
- (2) Including e-liquid within the definition of "tobacco products", as used in the cigarette tax and tobacco tax law, thereby:
 - (A) Subjecting e-liquid to the excise tax on tobacco products;
 - (B) Requiring retailers of e-liquid to obtain a retail tobacco permit to sell, possess, keep, acquire, distribute, or transport e-liquid;
 - (C) Prohibiting persons from engaging in the business of a wholesaler or dealer of e-liquid without first obtaining a license from the department of taxation; and
 - (D) Applying other requirements of chapter 245, Hawaii Revised Statutes;
- (3) Increasing the license fee for persons engaged as a wholesaler or dealer of cigarettes and tobacco products; and
- (4) Increasing the retail tobacco permit fee for retailers engaged in the retail sale of cigarettes and tobacco products.

Your Committee received testimony in support of this measure from the Department of Health, University of Hawaii Cancer Center, Hawaii Public Health Institute, American Heart Association, Hawaii Public Health Association, and fifty-seven individuals. Your Committee received testimony in opposition to this measure from Retail Merchants of Hawaii, Vape Hawaii, Hawaii Smokers Alliance, Cigar Rights of America, Island Vapor, Smokeless Hawaii, Volcano eCigs, and forty individuals. Your Committee received comments on this measure from the Department of the Attorney General, Department of Taxation, and Tax Foundation of Hawaii.

Your Committee finds that tobacco use continues to be a problem in Hawaii, causing approximately 1,400 deaths per year among adults, and that approximately 21,000 children currently under the age of eighteen will ultimately die prematurely from smoking. Your Committee also finds that each year, smoking costs approximately \$526,000,000 in direct health care expenditures and \$387,000,000 in lost productivity in Hawaii. Consequently, your Committee finds that Hawaii has a substantial interest in reducing the number of individuals of all ages who use tobacco products, and a particular interest in protecting adolescents from tobacco dependence and the illnesses and premature death associated with tobacco use.

Your Committee further finds that the electronic smoking device industry has grown astronomically, especially among youth and young adults, with a nine hundred percent increase in use among high school students from 2011 to 2015. Your Committee finds that e-cigarette use among youth and young adults is strongly associated with the use of other tobacco products, including combustible tobacco products.

Your Committee additionally finds that the federal Food and Drug Administration recently finalized a rule that expands its regulatory authority to include all tobacco products, including electronic smoking devices. Your Committee notes that, despite this

change in regulatory authority, there is no state tobacco tax attached to e-liquid. Therefore, your Committee finds that increases in prices of cigarettes may simply drive smokers to turn to electronic smoking devices that may be less expensive, rather than quitting, as smokers, especially youth smokers, are particularly price sensitive.

Accordingly, your Committee finds that imposing a tax on e-liquids will encourage users to quit or reduce use, and prevent youth initiation of use. Your Committee also finds that these taxes may be circumvented by consumers purchasing electronic smoking devices from out-of-state, including through the Internet. Accordingly, your Committee finds that additional steps are necessary to capture this tax revenue.

Your Committee has heard the concerns of the Department of the Attorney General with respect to several technical and legal changes, including that:

- (1) The term “export warehouse provider”, as used in federal statutes, has a meaning that may conflict with the intent of this measure, and different language should be used;
- (2) The requirements for shippers of tobacco products to comply with title 15 United States Code chapter 10A may cause undue confusion and should be deleted;
- (3) An option should be included to allow for payment of taxes on tobacco shipments to not constitute the offense of unlawful shipment of tobacco products;
- (4) Existing penalty language may be subject to legal challenge and should be clarified; and
- (5) The definition of e-liquid should include a requirement that the liquid contains nicotine, to minimize confusion.

However, your Committee notes that other states, including Indiana, Pennsylvania, and West Virginia, successfully tax e-liquids that may or may not contain nicotine. Your Committee also notes that, if too broadly construed, a definition of e-liquid could include prescription medications and medical cannabis, which would be an unintended consequence.

Your Committee has also heard the concerns of the Department of Taxation requesting a delayed effective date of January 1, 2019, to allow for the Department to make the necessary system changes.

Accordingly, your Committee has amended this measure by:

- (1) Replacing the reference to “export warehouse proprietor” with language proposed by the Department of the Attorney General to better achieve the purpose of this measure;
- (2) Deleting the requirement for shippers of tobacco products to comply with title 15 United States Code chapter 10A, including the requirement to file a required report with the Department of Taxation;
- (3) Allowing the proper payment of taxes on tobacco products to not constitute the offense of unlawful shipment of tobacco products;
- (4) Inserting a state of mind element in committing certain acts that would constitute the offense of unlawful shipment of tobacco products;
- (5) Adding an additional offense of unlawful transport of tobacco products ordered through remote sale to anyone other than a licensee;
- (6) Clarifying within the definition of “e-liquid” that an e-liquid is a liquid or like substance that may or may not contain nicotine, but does not include medical cannabis or any prescription drug;
- (7) Changing the effective date to January 1, 2019; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2654, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2654, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Nishihara).

SCRep. 2507 (Joint) Housing and Human Services on S.B. No. 2989

The purpose and intent of this measure is to:

- (1) Amend the low-income household renters income tax credit to:
 - (A) Broaden its application to more taxpayers and to increase the amount of the credit for certain qualified taxpayers; and
 - (B) Use the consumer price index to adjust the amount of tax credit that may be claimed by a taxpayer;
- (2) Appropriate funds to the Department of Human Services for the continued administration of the family assessment center for homeless families;
- (3) Appropriate funds to the Hawaii Public Housing Authority for the state rent supplement program to:

- (A) Assist homeless families with minor children or families with minor children at imminent risk of homelessness due to domestic violence to obtain permanent housing through a housing homeless children rental assistance pilot program developed by the Hawaii Public Housing Authority; and
- (B) Cover administrative and personnel costs to operate the pilot program; and
- (4) Exempt the adoption of interim rules and procurement of services by federally-certified financial counselors from chapters 91 and 103D, Hawaii Revised Statutes, respectively, by the Hawaii Public Housing Authority.

Your Committees received testimony in support of this measure from the Hawaii Public Housing Authority, Hawaiian Community Assets, League of Women Voters of Hawaii, Hawaii Appleseed Center for Law & Economic Justice, Catholic Charities Hawai'i, PHOCUSED, IMUAlliance, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Institute for Human Services, and two individuals. Your Committees received comments on this measure from the Governor's Coordinator on Homelessness, Department of Human Services, Department of Taxation, State Procurement Office, and Tax Foundation of Hawaii.

Your Committees find that the income tax credit for low-income household renters was established forty years ago to help make up for the high rents and tax rates that burden low-income and moderate-income earners. However, this income tax credit has not been routinely updated to account for inflation. In light of the fact that Hawaii has the highest homeless rate per capita and some of the highest cost burdens of any state in the nation, this measure contributes to a comprehensive strategy to meet the State's affordable housing goals.

Your Committees further find that homelessness is one of the most pressing problems in Hawaii, and a robust, comprehensive solution is needed to increase the pace at which the State is gaining ground on addressing homelessness. For the first time in years, the homelessness rate in Hawaii went down in 2017. Hawaii is turning the tide on the homelessness crisis by investing in proven programs like housing first and rapid rehousing. The network of people and resources engaged in addressing homelessness has begun to make more efficient use of available resources by implementing a data-driven, collaborative process that matches those experiencing homelessness with the services they need to make more efficient use of available resources. However, Hawaii continues to have the highest per capita rate of homelessness of any state in the United States, with an estimated 7,220 people living on the streets and in shelters. This measure continues to address the State's homeless crisis by providing a multi-faceted approach using proven interventions that are targeted to the particular characteristics of the population being served and that address the root causes of homelessness.

Your Committees note the concerns raised by the State Procurement Office regarding the procurement exemption provided to the Hawaii Public Housing Authority for the procurement of services by federally-certified financial counselors. Your Committees believe that this issue merits further discussion by your Committee on Ways and Means if that Committee schedules this measure for public hearing.

Your Committees have amended this measure by:

- (1) Adopting the language suggested by the Department of Taxation that:
 - (A) Amends the definition of "adjusted gross income" to mean the same as defined by the Internal Revenue Code, rather than section 235-1, Hawaii Revised Statutes; and
 - (B) Amends the index to which the term "consumer price index" refers and changes the reference from the United States Department of Labor to the United States Bureau of Labor Statistics as the consumer price index publishing source under the definition of "consumer price index";
- (2) Clarifying that the monies appropriated for a housing homeless children rental assistance pilot program is a pilot program that is developed by the Hawaii Public Housing Authority; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2989, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2989, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the President and Chair on behalf of the Committees.
 Housing: Ayes, 3. Noes, none. Excused, 2 (Green, Nishihara).
 Human Services: Ayes, 4. Noes, none. Excused, 1 (Harimoto).

SCRep. 2508 (Joint) Housing and Government Operations on S.B. No. 2525

The purpose and intent of this measure is to:

- (1) Establish the East Kapolei Community Development District under the Hawaii Community Development Authority;
- (2) Repeal the laws relating to the Kakaako Community Development District and replaces members representing the Kakaako Community Development District of the Hawaii Community Development Authority with members representing the East Kapolei Community Development District; and
- (3) Make conforming amendments to reflect the repeal of the Kakaako Community Development District under the Hawaii Community Development Authority.

Your Committees received testimony in support of this measure from the Ho'omanapono Political Action Committee and Ho'omana Pono, LLC. Your Committees received testimony in opposition to this measure from Hawaii's Thousand Friends, The Friends of Makakilo, and five individuals. Your Committees received comments on this measure from the Hawaii Community Development Authority and Department of Planning and Permitting of the City and County of Honolulu.

Your Committees find that the Hawaii Community Development Authority was established to meet the vast community development needs of providing suitable affordable housing, sufficient commercial and industrial facilities for rent, residential areas that have facilities necessary for basic liveability, such as parks and open space, and areas that are planned for mixed uses. The Authority manages three community development districts, including the Kakaako Community Development District, Kalaeloa Community Development District, and Heeia Community Development District and these community development districts are designated by law as areas dedicated for replanning, renewal, or redevelopment. After the designation, the Hawaii Community Development Authority is required to develop a community development plan, which includes community development guidance policies, a district-wide improvement program, and community development rules.

Your Committees further find that the East Kapolei Neighborhood transit-oriented development plan up for approval by the Honolulu City Council of the City and County of Honolulu presents a unique opportunity to create a sustainable, responsible, and integrated community for Oahu. The goal of the East Kapolei Neighborhood transit-oriented development plan is to foster more livable communities that take full advantage of the benefits of transit by specifically reducing transportation costs for residents, businesses, and workers. In order to create the neighborhood that the East Kapolei Neighborhood transit-oriented development plan envisions, development of new infrastructure and retrofitting of existing infrastructure are necessary in the East Kapolei area. If designated as a community development district, this measure would allow the East Kapolei area to greatly benefit from a community development plan that would enable the East Kapolei Neighborhood transit-oriented development plan to more efficiently and effectively come to fruition.

Your Committees also find that after finding that the Kakaako area is of economic importance to the State, the Legislature designated the Kakaako Community Development District to preserve and enhance the value and potential of the area. However, since 1976, when the Kakaako Community Development District was established by law, the Kakaako area has gone through extensive replanning, renewal, and redevelopment, including plans to allow for development along the proposed rail transit line. In light of this completed and continuing development and redevelopment in the Kakaako area, this measure repeals the Kakaako Community Development District so that the Hawaii Community Development Authority may be a lead agency in the coordination and development of the East Kapolei area.

Your Committees note the written comments submitted by the Hawaii Community Development Authority that dissolving the Kakaako Community Development District may jeopardize projects still in development, cause the Authority to be in breach of existing contracts and financial commitments, and jeopardize the status of the affordable housing units that the Authority owns and manages or are currently in development. Thus, the Authority testified to your Committees the need for a study to determine the most feasible and efficient method to unwind all the issues related to the Kakaako Community Development District. Furthermore, your Committees believe that repealing the Kakaako Community Development District and replacing this district with a new district by establishing the East Kapolei Community Development District under the Hawaii Community Development Authority merits further discussion by your Committee on Ways and Means if the Committee schedules this measure for a public hearing.

Accordingly, your Committees have amended this measure by:

- (1) Inserting language that requires the Hawaii Community Development Authority to develop a transitional master plan for the Kakaako Community Development District to transition into dissolution and be repealed;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2525, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2525, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 3. Noes, none. Excused, 2 (Green, Nishihara).

Government Operations: Ayes, 5; Ayes with Reservations (Ruderman). Noes, none. Excused, none.

SCRep. 2509 Labor on S.B. No. 2990

The purpose and intent of this measure is to:

- (1) Require the Department of Labor and Industrial Relations (Department) to establish paid family leave for all workers by January 1, 2023;
- (2) Establish the paid family leave implementation task force to assist the Department and report to the Legislature; and
- (3) Establish and appropriate funds into and out of a paid family leave special fund.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by:

- (1) Establishing the paid family leave implementation board, rather than the paid family leave implementation task force, to assist the Department and report to the Legislature;
- (2) Removing the representative of the Chamber of Commerce of Hawaii and adding one representative of a business employing one hundred or more employees, to be appointed by the Governor, one representative of a business employing between fifty and one hundred employees, to be appointed by the Speaker of the House of Representatives, and two representatives of paid family leave advocates, to be appointed by the President of the Senate and Speaker of the House of Representatives, respectively, to the membership of the paid family leave implementation board;

- (3) Requiring all executive departments and agencies to participate and engage in data-sharing agreements prior to the Regular Session of 2020;
- (4) Requiring preparation of a comparative analysis of potential paid family leave models to cover all workers, including but not limited to social insurance and temporary disability insurance expansion, in addition to a breakdown of costs for implementing and sustaining each model; and
- (5) Requiring that the comparative analysis of each model considers progressive wage replacement and job protection.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Human Services; Department of Labor and Industrial Relations; Hawaii State Commission on the Status of Women; American Association of University Women in Hawaii; Hawai'i Appleseed Center for Law & Economic Justice; International Brotherhood of Electrical Workers Local Union 1260, AFL-CIO; Hawaii State AFL-CIO; Pono Hawai'i Initiative; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; IMUAlliance; Hawaii Children's Action Network; Hawaii State Teachers Association; YWCA O'ahu; League of Women Voters of Hawaii; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and five individuals. Your Committee received testimony in opposition to the proposed S.D. 1 from the Chamber of Commerce Hawaii and Society for Human Resource Management – Hawaii Chapter. Your Committee received comments on the proposed S.D. 1 from the Department of Budget and Finance, General Contractors Association of Hawaii, Hawaii Food Industry Association, and American Council of Engineering Companies of Hawaii.

Your Committee finds that Hawaii's working families are especially vulnerable, and that the majority of Hawaii's workforce cannot afford to take unpaid leave to provide care for a newborn, bond with a new child, care for a family member with a serious health condition, or be a caregiver to an aging parent. Yet, for 240,000 employees who serve as primary caregivers to a family member, this is the dilemma they face. Your Committee further finds that seven in ten children live in a household where both parents work, and over a quarter of children live in households with single parents; therefore, a lack of meaningful paid family leave policies puts them most at risk.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Specifying that paid family leave contributions paid by employees and employers shall be deposited into the paid family leave special fund;
- (2) Specifying that monies deposited into the paid family leave special fund and interest earned thereon shall not revert to the general fund;
- (3) Requiring the Department to adopt rules by January 1, 2020, rather than January 1, 2023, and to allow for the rulemaking process to be exempt from chapter 91, Hawaii Revised Statutes;
- (4) Requiring that rules adopted by the Department, at a minimum, include:
 - (A) A minimum of an unspecified number of weeks paid leave;
 - (B) Coverage for all employees who employ one or more employees;
 - (C) A system of progressive wage replacement to allow low income workers to receive a higher percentage of their weekly earnings than average high-wage workers; and
 - (D) Job protections to ensure usage of paid family leave does not adversely impact employment;
- (5) Requiring the Department to collect paid family leave payments by July 1, 2021, and process payments by July 1, 2022;
- (6) Allowing interim rules to remain in effect until January 1, 2022, rather than January 1, 2023;
- (7) Amending the membership of the paid family leave implementation board as follows:
 - (A) Adding the Governor's Chief of Staff, who shall serve as chairperson;
 - (B) Specifying that the Director of Human Resources Development and Comptroller shall serve as ex officio members;
 - (C) Replacing the representative of the insurance industry appointed by Speaker of the House with a representative of the medical or public health community;
 - (D) Adding an additional representative of paid family leave advocates, to be appointed by the Hawaii State Commission on the Status of Women; and
 - (E) Adding one representative of the human resources profession, to be appointed by the Director of Labor and Industrial Relations;
- (8) Requiring all executive branch departments and agencies to participate and engage in data-sharing agreements prior to the Regular Session of 2019, rather than 2020;
- (9) Requiring the Legislative Reference Bureau to conduct an analysis prior to 2019 that includes:
 - (A) A comparative analysis of potential paid family leave models to cover all workers, including social insurance and temporary disability insurance expansion, and a breakdown of the costs for implementing and sustaining each model;
 - (B) Models that consider progressive wage replacement and job protection;
 - (C) A multi-year budget for establishing a paid family leave insurance program;
 - (D) A timeline for implementing paid family leave, including benchmarks and deliverables;

- (E) Review of other state paid leave models, including review of current temporary disability insurance usage and other state temporary disability insurance models;
- (F) Findings and other recommendations, including recommendations for ongoing regulation and additional funding resources; and
- (G) Actuarial analysis;
- (10) Specifying that the report by the paid family leave implementation board include a multi-year budget for establishing a paid family leave insurance program, rather than a five-year budget;
- (11) Appropriating \$250,000 for the Legislative Reference Bureau to conduct its analysis;
- (12) Clarifying that the appropriation out of the paid family leave special fund is for one full-time equivalent (1.0 FTE) program manager to support the paid family leave implementation board, the expenses of the implementation board, and the expenses of the Department in establishing paid family leave for all workers by January 1, 2020;
- (13) Inserting language to allow the Legislative Reference Bureau and Department to contract the services of a consultant without regard to chapter 103D, Hawaii Revised Statutes; and
- (14) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2990, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2990, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 2510 Government Operations on S.B. No. 2601

The purpose and intent of this measure is to:

- (1) Require past performance to be factored into future bid selection of a contractor;
- (2) Require past performance to be considered in sole source procurement;
- (3) Require that upon completion of a procurement contract, the department that issued the request for proposal shall evaluate the work and performance of the respective contractors and maintain the evaluations in the department's files; and
- (4) Appropriate funds to enact the proposals.

Your Committee received testimony in support of this measure from the State Procurement Office, Pacific Resource Partnership, and one individual. Your Committee received testimony in opposition to this measure from the Department of Design and Construction of the City and County of Honolulu. Your Committee received comments on this measure from the Department of Accounting and General Services and General Contractors Association of Hawaii.

Your Committee finds that the State's procurement process is in need of increased accountability and greater efficiency to better utilize taxpayer dollars and respond to public needs. Existing law makes possible the award of state contracts to the lowest bidder through the invitation for bid process without regard to the bidder's poor past performance. Such bidders may be considered qualified despite poor performance on state, federal, or private contracts in the past, which may result in repeated inefficiencies and substandard work. Moreover, your Committee notes that while existing state guidelines do not necessarily require consideration of past performance, federal procurement procedures do take into account past performance of bidders. Therefore, your Committee finds that the procurement code should be updated to allow for consideration of past performance in bid selection of a contractor and in sole source procurement. Your Committee also finds that the State's guidelines for considering past performance should align with the existing federal procurement guidelines.

However, your Committee acknowledges the concerns of the State Procurement Office that the proposals in this measure may require additional details and elaboration to fully align with the federal procurement guidelines. Therefore, if your Committee on Ways and Means decides to hear this measure, your Committee recommends that your Committee on Ways and Means continue discussions with the State Procurement Office regarding any additional language that may be necessary to effectuate your Committee's intent.

Your Committee has amended this measure by:

- (1) Adding a new section to part II of chapter 103D, Hawaii Revised Statutes, establishing procedures and factors to be considered in the evaluation, consideration, or review of past performance based on similar federal regulations;
- (2) Removing language that defines "past performance"; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2601, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2601, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 2511 (Joint) Economic Development, Tourism, and Technology and Water and Land on S.B. No. 3058

The purpose and intent of this measure is to:

- (1) Establish procedures for designating public land redevelopment districts, planning committees, and district redevelopment plans;
- (2) Establish the designated redevelopment district revolving fund;
- (3) Modify public land lease restrictions;
- (4) Establish the Waiakea peninsula redevelopment district, planning committee, and designated redevelopment district revolving fund, subject to repeal on June 30, 2028; and
- (5) Appropriate funds for the purposes of this measure.

Your Committees received testimony in support of this measure from the Office of the Mayor, County of Hawai'i; County of Hawai'i Planning Department; Hawai'i Association of REALTORS; HPM Building Supply; Hawaii Island Economic Development Board; and five individuals. Your Committees received testimony in opposition to this measure from the Life of the Land, League of Women Voters, and six individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources and Department of Budget and Finance.

Your Committees find that more effort needs to be put towards redevelopment projects, specifically in the County of Hawaii. Banyan Drive is underutilized and in disrepair, requiring support to maintain the center of tourism for East Hawaii. Your Committees believe encouraging the revitalization of public lands has the potential to increase the value of land in the State, ultimately providing more revenue from taxes, such as the transient accommodations tax.

Your Committees have amended this measure by:

- (1) Deleting language that would have modified public land lease restrictions;
- (2) Requiring that district development plans for each designated district take into consideration the effect the plans will have on sea level rise and climate change;
- (3) Deleting the provision that would have allowed district development plans to supersede all other inconsistent ordinances and rules relating to the use, planning, development, and construction on public land in a designated district; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3058, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3058, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 4; Ayes with Reservations (Thielen). Noes, none. Excused, 1 (Galuteria).

Water and Land: Ayes, 4; Ayes with Reservations (Riviere, Thielen). Noes, none. Excused, 1 (Inouye).

SCRep. 2512 (Joint) Water and Land and Agriculture and Environment and Government Operations on S.B. No. 3068

The purpose and intent of this measure is to:

- (1) Implement the recommendations of the Hawaii Sea Level Rise Vulnerability and Adaptation Report issued by the Hawaii Climate Change Mitigation and Adaptation Commission; and
- (2) Appropriate funds to various state agencies and counties to implement the recommendations of the Hawaii Sea Level Rise Vulnerability and Adaptation Report.

Your Committees received testimony in support of this measure from the Land Use Commission, Board of Water Supply of the City and County of Honolulu, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaiian Civic Club of Honolulu, KAHEA: The Hawaiian-Environmental Alliance, Kokua Hawaii Foundation, Hawaii Island Economic Development Board, and ten individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources, Office of Planning, Office of Environmental Quality Control, and Office of Climate Change, Sustainability and Resiliency of the City and County of Honolulu.

Your Committees find that Act 32, Session Laws of Hawaii 2017 (Act 32), recognized that climate change is not only real, but it is also the overriding challenge of the twenty-first century and one of the priority issues of the Hawaii State Senate. Climate change poses immediate and long-term threats to the State's economy, sustainability, security, and way of life.

Your Committees further find that Act 32 established the Hawaii Climate Change Mitigation and Adaptation Commission and directed the Commission, as a first step, to focus on and develop sea level rise vulnerability and adaptation reports that are required to include:

- (1) Identification of the major areas of sea level rise impacts affecting the State and counties through 2050;
- (2) Identification of expected impacts of sea level rise based on the latest scientific research for each area through 2050;
- (3) Identification of the economic ramifications of sea level rise;

- (4) Identification of applicable federal laws, policies, or programs that impact affected areas; and
- (5) Recommendations for planning, management, and adaptation for hazards associated with increasing sea level rise.

The Hawaii Climate Change Mitigation and Adaptation Commission submitted a Hawaii Sea Level Rise Vulnerability and Adaptation Report in December 2017. The report identifies, with maps at tax map key detail, areas that are susceptible to sea level rise impacts based on a 3.2-foot increase in sea level projected to occur by mid-century or earlier. These areas are designated as the sea level rise exposure area projection, which the Commission recommends be adopted as a sea level rise exposure area overlay to guide state and county adaptation strategies and standards for development. The report also made a number of recommendations to state and county agencies based on emerging good practices to strengthen Hawaii's overall readiness to face sea level rise and climate change. Accordingly, this measure implements the recommendations of the Hawaii Sea Level Rise Vulnerability and Adaptation Report.

Your Committees have amended this measure by inserting an effective date of July 1, 2025, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Water and Land, Agriculture and Environment, and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3068, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3068, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).

Government Operations: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 2513 (Joint) Education and Water and Land on S.B. No. 2237

The purpose and intent of this measure is to require the City and County of Honolulu to transfer to the Department of Land and Natural Resources all property upon which a public elementary or intermediate school is situated.

Your Committees received testimony in support of this measure from the Hawaii State Teachers Association and Building Industry Association of Hawaii. Your Committees received testimony in opposition to this measure from the Department of Land and Natural Resources and Department of Parks and Recreation of the City and County of Honolulu. Your Committees received comments on this measure from the Department of the Attorney General.

Your Committees find that the Department of Education has managed county school lands throughout the State since 1965. Your Committees further find that many public schools in Hawaii require extensive renovation or rebuilding, and that this process is unnecessarily complicated by having state schools on county land, or situated on both county and state land. Your Committees additionally find that transferring a fee simple interest for county school lands to the State will greatly simplify the process of undertaking much needed repairs and renovations.

Your Committees have amended this measure by:

- (1) Adding a purpose section that explains the justification for the measure;
- (2) Requiring the City and County of Honolulu to transfer property on which a school is situated to the Department of Education rather than to the Department of Land and Natural Resources;
- (3) Adding language to give the Department of Education power to acquire and hold title to real, personal, or mixed property for use for public educational purposes;
- (4) Requiring legislative approval prior to the sale or gift of lands to which the Department of Education holds title; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2237, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2237, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Espero).

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 2514 (Joint) Government Operations and Higher Education on S.B. No. 2607

The purpose and intent of this measure is to restrict the exemptions the Research Corporation of the University of Hawaii has with regard to chapter 103D, Hawaii Revised Statutes, relating to advertising for bids and purchases to be made in Hawaii whenever public monies are expended.

Your Committees received testimony in opposition to this measure from the University of Hawai'i System, University of Hawai'i Professional Assembly, Oahu Economic Development Board, and forty-four individuals.

Your Committees find that there are concerns regarding whether the Research Corporation of the University of Hawaii has been given a broader range of flexibility than originally intended under section 304A-3005, Hawaii Revised Statutes. The Research Corporation of the University of Hawaii was established to carry out the objectives of conducting research and training projects. In order to fulfill those objectives, the Research Corporation was, by law, provided flexibility in the hiring of personnel and in handling and disbursing monies.

However, your Committees find that the exceptions in existing law may have provided the Research Corporation with an unintended degree of flexibility. Over the years, the Research Corporation has engaged in projects that appear to have been beyond the original

intent of the Legislature. Your Committees have significant concerns about the Research Corporation being used as a pass-through for other entities to funnel projects and improperly take advantage of the flexibility in operations that the Legislature intended only for the Research Corporation to carry-out its stated mission. Therefore, your Committees find that it is crucial that the Research Corporation follow established procurement guidelines to ensure that the Research Corporation is properly working with private businesses on basic and applied research projects as originally intended by the Legislature.

However, your Committees recognize various issues and concerns raised by the Research Corporation during testimony. Specifically, your Committees recognize that the Research Corporation already follows federal procurement guidelines for most projects. Your Committees find that it is important to create in statute a requirement that the Research Corporation follow federal procurement guidelines for all contracts, including those contracts and projects using state money. In addition, your Committees note that requiring all research projects to be subject to federal procurement guidelines would eliminate the need to place a cap on contracts excepted from the procurement code under section 304A-3005, Hawaii Revised Statutes.

Your Committees have amended this measure by:

- (1) Removing language establishing a cap on the value of certain contracts exempted from the state procurement code for the Research Corporation of the University of Hawaii relating to advertising for bids and purchases;
- (2) Adding language to limit the exemption to research, training, and development related contracts and projects that obtain federal or state grants; and
- (3) Adding a requirement that all federal and state grants, contracts, and projects of the Research Corporation adhere to all relevant federal procurement laws and regulations.

As affirmed by the records of votes of the members of your Committees on Government Operations and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2607, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2607, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Government Operations: Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Higher Education: Ayes, 5. Noes, none. Excused, none.

SCRep. 2515 Higher Education on S.B. No. 757

The purpose and intent of this measure is to repeal the authority of the University of Hawai'i to issue revenue bonds.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which deletes the contents of the measure and inserts language to require and appropriate funds for the State Auditor to conduct a forensic financial audit of the University of Hawai'i's activities related to Mauna Kea.

Your Committee received testimony in support of the proposed S.D. 1 from the Mauna Kea Anaina Hou, Kai Palaoa, Kia'i Kanaloa, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and numerous individuals. Your Committee received testimony in opposition to the proposed S.D. 1 from the University of Hawai'i System, Kona-Kohala Chamber of Commerce, and numerous individuals. Your Committee received comments on the proposed S.D. 1 from the Office of Hawaiian Affairs and Office of the Auditor.

Your Committee finds that Mauna Kea is the most significant cultural and astronomical site in the world. The summit region of Mauna Kea is a spiritual and special place of global significance that is home to cultural landscapes, fragile alpine habitats, historical and archaeological treasures as well as endemic species found nowhere else on the planet. Since 1998, four audits by the State Auditor have been critical of the management, stewardship, and protection of Mauna Kea. Although significant changes have occurred on Mauna Kea since the 1998 audit, negative experiences over the past fifty years have eroded public confidence and demonstrated the critical need for a financial audit to look into the University of Hawai'i's activities related to Mauna Kea.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Clarifying that the audit conducted by the State Auditor shall be a financial audit, not a forensic financial audit, that includes an examination of the financial records and an analysis of the financial management of the University of Hawai'i's activities related to Mauna Kea;
- (2) Deleting various elements and entities to be included in the audit, including certain leases, the Office of Mauna Kea Management Board, Kahu Kū Mauna, University of Hawai'i at Hilo astronomy program, and Hawai'i Island New Knowledge Fund;
- (3) Clarifying issues to be included in the audit related to the University of Hawai'i and Mauna Kea Observatories;
- (4) Inserting issues to be included in the audit related to the University of Hawai'i's implementation of the Mauna Kea comprehensive management plan; policies to generate revenues through leases, subleases, and permits; the negotiation for telescope subleases and commercial permits; value of opportunity costs in balancing observatory development with public trust obligations; and funding sources and allocation activity related to Mauna Kea; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 757, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 757, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2516 (Joint/Majority) Higher Education and Judiciary on S.B. No. 2319

The purpose and intent of this measure is to:

- (1) Amend the composition of and term limits for the Board of Regents of the University of Hawai'i;
- (2) Reestablish the Governor's authority to nominate and, with the advice and consent of the Senate, appoint the members of the Board of Regents of the University of Hawai'i by repealing the Candidate Advisory Council for the Board of Regents of the University of Hawai'i;
- (3) Require the Governor to fill a vacancy on the Board of Regents within ninety days; and
- (4) Require the Governor to nominate new members to the Board of Regents by January 29, 2019, and for those new members who are appointed to begin serving terms on March 1, 2019.

Your Committees received testimony in opposition to this measure from the Association of Emeritus Regents of the University of Hawai'i and one individual.

Your Committees find that while the Candidate Advisory Council for the Board of Regents of the University of Hawai'i has nominated many outstanding appointees to the Board, important concerns have been raised as to the selection process. The potential value in granting the Governor the authority to select and appoint Regents on the basis of how each Regent's individual strengths will add to and complement the overall Board of Regents. Therefore, it is appropriate to reassess and seriously consider making significant changes to the appointment process for the Board of Regents of the University of Hawai'i to increase the Governor's ability to appoint qualified individuals to serve as Regents and effectively lead the University of Hawai'i System.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2319, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2319, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

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

Judiciary: Ayes, 3; Ayes with Reservations (Rhoads, Taniguchi). Noes, 1 (Thielen). Excused, 1 (Gabbard).

SCRep. 2517 (Joint) Higher Education and Economic Development, Tourism, and Technology on S.B. No. 2751

The purpose and intent of this measure is to:

- (1) Place the Pacific International Space Center for Exploration Systems within the Department of Business, Economic Development, and Tourism, rather than the Office of Aerospace Development; and
- (2) Deletes the Executive Director of the Pacific International Space Center for Exploration Systems as a member of the board and adds the Chancellor of the University of Hawai'i at Hilo.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Pacific International Space Center for Exploration Systems; University of Hawai'i System; and one individual.

Your Committees find that the Pacific International Space Center for Exploration Systems is incorrectly placed in the Office of Aerospace Development as section 26-35(a), Hawaii Revised Statutes, requires that administrative supervision of any board or commission shall be placed within a principal department. Your Committees further find that the Executive Director of the Pacific International Space Center for Exploration Systems is serving on the Board of Directors; however, the Board is required to confirm the Executive Director and set the Executive Director's salary. As such, your Committees believe that the Executive Director should not serve on the Board of Directors and in the Executive Director's place the Chancellor of the University of Hawai'i at Hilo is a more fitting member to provide the County of Hawai'i's academic perspective to the Board.

Your Committees further find that combining the resources, goals, and expertise of the Office of Aerospace Development with the Pacific International Space Center for Exploration Systems will consolidate state resources and put more focus on the success of the Space Center that will push Hawaii forward in the field of aerospace.

Accordingly, your Committees have amended this measure by:

- (1) Repealing the Office of Aerospace Development and transferring all rights, powers, functions, and duties of the Office of Aerospace Development to the Pacific International Space Center for Exploration Systems;
- (2) Inserting a cap of \$1,000,000 for the Pacific international space center for exploration systems special fund; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Economic Development, Tourism, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2751, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2751, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education: Ayes, 3. Noes, none. Excused, 2 (Chang, Kim).

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Taniguchi).

SCRep. 2518 Labor on S.B. No. 2363

The purpose and intent of this measure is to establish a supervisory and professional job shadowing pilot project under the Department of Human Resources Development.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Human Resources Development.

Your Committee finds that there is a rising number of eligible retirees within the various departments of state government, which creates a pressing need to prepare the next generation of workers to occupy positions vacated by retirees, especially at the supervisory level. Your Committee believes that a supervisory and professional job shadowing pilot project for leadership and supervisory training could help to stabilize the workforce and ensure the transfer of essential skills and institutional knowledge; however, your Committee finds that a working group within the Department of Human Resources Development may be necessary to help develop the concept.

Accordingly, your Committee has amended this measure by:

- (1) Requiring the Department of Human Resources Development to establish a working group to establish a supervisory and professional job shadowing pilot project under the Department of Human Resources Development;
- (2) Requiring the working group to submit a report to the Legislature no later than twenty days prior to the convening of the Regular Sessions of 2019, 2020, 2021, and 2022;
- (3) Requiring the Department of Human Resources Development to submit a final report to the legislature no later than twenty days prior to the convening of the Regular Session of 2023 as to the sustainability of the professional job shadowing pilot project;
- (4) Appropriating funds for the professional job shadowing pilot project and working group; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2363, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2363, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2519 Labor on S.B. No. 2870

The purpose and intent of this measure is to allow public inspection and duplication of salary ranges, rather than exact compensation, for legislative employees.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO. Your Committee received testimony in opposition to this measure from the Hawaii Chapter of the Society of Professional Journalists, Civil Beat Law Center for the Public Interest, and League of Women Voters. Your Committee received comments on this measure from the Office of Information Practices.

Your Committee finds that tax payers want to know how and where their tax dollars are being spent and therefore government must be held accountable and demonstrate transparency; however, employees are entitled to a measure of privacy, and publishing any employee's exact dollar amount of salary does not adequately capture the State's expenses.

Your Committee acknowledges that this measure is a work in progress and notes that while it is important for tax payers to know the exact compensation of high salary government employees, lower wage government employees should be afforded basic privacy and respect in doing their jobs. Furthermore, availability of a government employee's exact compensation may lead to greater pay disparity if future employers base salary offers on employees' former government salaries. As this measure moves forward, proponents of the bill should consider the issues and suggestions heard in the testimony provided and work to find a balanced solution that achieves the outcomes they are seeking.

Your Committee has taken the amendments put forth by the Civil Beat Law Center for the Public Interest and amended this measure by:

- (1) Specifying that salary ranges within \$15,000 for legislative employees shall be made available for public inspection and duplication;
- (2) Deleting legislative officers as defined by section 88-21, Hawaii Revised Statutes, and legislative service agency directors and officers as defined by section 21E-1, Hawaii Revised Statutes, from the definition of "legislative employees" but specifying that non-managerial employees of legislative service agencies as defined by section 21E-1, Hawaii Revised Statutes, are included within that definition; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2870, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2870, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2520 (Joint) Higher Education and Water and Land on S.B. No. 3090

The purpose and intent of this measure is to:

- (1) Establish the Mauna Kea Management Authority;
- (2) Limit the number of telescopes that may be authorized on Mauna Kea;
- (3) Authorize the renegotiation of leases, subleases, easements, permits, and licenses pertaining to Mauna Kea;
- (4) Require that revenue derived from activities on Mauna Kea be shared with the Office of Hawaiian Affairs;
- (5) Exclude Mauna Kea lands from the definition of “public lands”; and
- (6) Provide for free access to Mauna Kea for traditional cultural purposes.

Prior to the hearing on this measure, your Committees posted and made available for public review a proposed S.D. 1, which inserts language for provisions related to, among other things, the disposition of lands, lease agreements, and mineral and water rights.

Your Committees received testimony in support of the proposed S.D. 1 from the Ho‘omanapono Political Action Committee; Ho‘omana Pono, LLC; and two individuals. Your Committees received testimony in opposition to the proposed S.D. 1 from the University of Hawai‘i System, Department of Land and Natural Resources, County of Hawai‘i Office of the Mayor, Maunakea Observatories, Ho‘o Kili Farms, Momilani Farm, KTA Super Stores, Ka Lāhui Hawaii Political Action Committee, Sierra Club of Hawai‘i, Life of the Land, Hawai‘i’s Thousand Friends, Hawaii Island Economic Development Board, and numerous individuals. Your Committees received comments on the proposed S.D. 1 from the Department of Budget and Finance, Office of Hawaiian Affairs, and one individual.

Your Committees find that Mauna Kea is the most significant cultural and astronomical site in the world. The summit region of Mauna Kea is a spiritual and special place of significance that is home to cultural landscapes, fragile alpine habitats, historical and archaeological treasures, as well as endemic species found nowhere else on the planet. Since 1998, four audits by the State Auditor have been critical of the management, stewardship, and protection of Mauna Kea. Although significant changes have occurred on Mauna Kea since the 1998 audit, negative experiences over the past fifty years have eroded public confidence and demonstrated the critical need for fresh leadership centered on a new organizational structure, management system, and procedures.

Your Committees further find that there is a clear need for one entity to serve as a single focal point of management, responsibility, communication, and enforcement regarding Mauna Kea. This new entity will increase the accountability of all tenants on Mauna Kea and will ensure that each tenant is aware of its obligations and responsibilities. This entity will also provide the necessary stewardship for the sustainable use of Mauna Kea and the proper generation of revenue from that use. This entity will be headquartered on the island of Hawaii and will be recognized by the general public and the State as the single point of contact for Mauna Kea’s summit region.

Your Committees have amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Reframing the findings and purpose of the Mauna Kea Management Authority to emphasize Mauna Kea’s cultural and genealogical importance to Native Hawaiians and remove references to the Authority as serving as a new model for governance and management of Hawaii’s most precious resources;
- (2) Specifying that the Mauna Kea Management Authority shall be attached to the Department of Accounting and General Services, rather than the Office of the Governor;
- (3) Specifying the term limits for members of the Mauna Kea Management Authority and changing its composition by:
 - (A) Reducing the number of members from nine to seven;
 - (B) Removing the Director of Business, Economic Development, and Tourism and members to be selected from specified private organizations from the Authority;
 - (C) Requiring that the members demonstrate certain expertise in business, astronomy, land management, the environment, and Native Hawaiian traditional and customary practices or Hawaiian history;
 - (D) Requiring one member to be a practitioner or the lineal descendant of practitioners of Native Hawaiian traditional and customary practices; and
 - (E) Requiring four of the members to be residents of the County of Hawaii;
- (4) Removing the Executive Director position and specifying that the Authority’s day-to-day operations shall be led by the chairperson;
- (5) Requiring the Authority to be subject to chapters 76 and 89, Hawaii Revised Statutes, when appointing officers, agents, and employees, prescribing their duties and qualifications, and fixing their salaries;
- (6) Including benchmark requirements for prepared comprehensive management plans by the Authority;
- (7) Authorizing the Authority to adopt advisory committees to advise the Authority on culture, science, environment, education, astronomy, and business;
- (8) Deleting all references to the ability of the Authority to sell or exchange Mauna Kea lands, including remnants;
- (9) Deleting provisions related to consent to mortgage;
- (10) Requiring annual updates to the Legislature on the status of administrative rules and implementation of management plans;

- (11) Deleting language that would have authorized the Authority to permit an alternative agricultural, aquaculture, or mariculture use or uses for any portion or portions of the land demised;
- (12) Deleting language that would have entitled a lessee to receive the value of growing crops that the lessee is not permitted to harvest from the condemning authority;
- (13) Clarifying that for leases within the last two years of their lease, the request for qualifications notice from the Authority specify that the land to be leased is classified as conservation lands, rather than commercial and industrial use;
- (14) Specifying that at no time shall the total combined footprint of all improvements on Mauna Kea lands exceed the total developed footprint of improvements present on Mauna Kea as of December 31, 2031;
- (15) Requiring the Authority to consult with the Office of Hawaiian Affairs in establishing rules to ensure protection of traditional and customary practices;
- (16) Clarifying the applicability of conservation district rules to the approval or disapproval of all projects by the Authority;
- (17) Requiring the Authority to establish policies that allow for reasonable access for traditional and customary practices;
- (18) Clarifying language related to the revenue subject to the Office of Hawaiian Affairs' pro rata share to be consistent with section 10-13.5, Hawaii Revised Statutes;
- (19) Inserting language that assures that the conservation district rules applicability shall maintain contested case opportunities in the conservation district use application process;
- (20) Inserting language that requires the granting of contested case hearings related to any decision by the Authority insofar as the decision impacts constitutional rights;
- (21) Inserting language that appropriates an unspecified amount of funds for start up costs for the Authority;
- (22) Inserting language that appropriates an unspecified amount of funds from the Mauna Kea management revolving fund for administration, capital improvement projects, and other purposes;
- (23) Deleting certain provisions related to mineral and water rights;
- (24) Deleting provisions related to leases to foreign governments;
- (25) Inserting an effective date of December 31, 2033, to encourage further discussion; and
- (26) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3090, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3090, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education: Ayes, 4; Ayes with Reservations (Kim). Noes, none. Excused, 1 (Chang).

Water and Land: Ayes, 5; Ayes with Reservations (Gabbard, Riviere, Thielen). Noes, none. Excused, none.

SCRep. 2521 Government Operations on S.B. No. 2055

The purpose and intent of this measure is to require the Governor to provide written notice to the Senate, no later than the forty-first day of a regular legislative session, of the name of any gubernatorial nominee for an executive branch position that is subject to the Senate's advice and consent.

Your Committee received testimony in opposition to this measure from the Office of the Governor. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that the proper and efficient functioning of government requires the timely confirmation of gubernatorial nominees. Each year, the Governor nominates many individuals to fill vacancies as required by law. Many of these nominees require the advice and consent of the State Senate. However, your Committee finds that the nomination of individuals by the Governor is often delayed and nominees are not brought before the Senate in a timely manner. In recent years, various Administrations have made a request to the Senate to extend its internal deadline to receive Governor nominations for vacant positions. Consequently, the delays and extensions in the confirmation process have resulted in important positions remaining unfilled or filled with nominees who are not qualified by the Senate, leading to inefficiencies in the Executive and Legislative branches of government. Moreover, delays in the nominating process impair the Senate's ability to appropriately vet nominees. Therefore, your Committee finds that a firm deadline by which the Governor shall submit nominees to the Senate for advice and consent should be codified into the law.

However, your Committee acknowledges testimony from the Department of the Attorney General raising concerns about the measure's language regarding Senate rules. Your Committee recognizes that there is some question about how or if Senate rules may have to be changed to effectuate this measure properly.

Accordingly, your Committee has amended this measure by changing the effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2055, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2055, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2522 Commerce, Consumer Protection, and Health on S.B. No. 2659

The purpose and intent of this measure is to increase access to medical cannabis by changing references from transdermal patches to transdermal devices, and by adding cannabinoid suppositories to the list of manufactured cannabis products that may be manufactured and distributed by dispensaries.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Drug Policy Forum of Hawaii, Hawaii Educational Association for Licensed Therapeutic Healthcare, Kine Bottles, and three individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that the list of medical cannabis products that may be manufactured and distributed pursuant to section 329D-10, Hawaii Revised Statutes, omits potentially viable products, including non-patch transdermal devices and cannabinoid suppositories, which have been recommended for inclusion on the list by the medical cannabis legislative oversight working group convened pursuant to Act 230, Session Laws of Hawaii 2016.

Your Committee has heard support from various stakeholders and the concerns of the Department of Health with respect to the efficacy of cannabinoid suppositories. Your Committee finds that there was much compelling testimony presented on both sides, and that further debate on the merits is warranted.

Accordingly, your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2659, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2659, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 2523 (Joint) Education and Government Operations on S.B. No. 2382

The purpose and intent of this measure is to require the Department of Accounting and General Services to:

- (1) Conduct semi-annual surveys of all departments concerning any unused facilities that may be used by public charter schools and maintain an inventory of all such unused facilities; and
- (2) Provide semi-annual reports on the inventory of unused department facilities to the State Public Charter School Commission.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs; State Public Charter School Commission; Kamehameha Schools; Ho'omana Pono, LLC; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Hawaii Public Charter Schools Network; and one individual. Your Committees received comments on this measure from the Department of Accounting and General Services and one individual.

Your Committees find that facilities funding is the greatest financial burden upon public charter schools. Many charter schools improvise by using temporary structures for instruction. By requiring the Department of Accounting and General Services to compile and maintain an inventory of unused departmental facilities that may be used by public charter schools, these public charter schools can continue to provide quality education in facilities that help to ensure the financial, academic, and organizational health of public charter schools.

Your Committees further find that the surveys conducted by the Department of Accounting and General Services of all departments concerning unused facilities that may be used by public charter schools may be conducted through physical surveys or by other means.

Your Committees have amended this measure by:

- (1) Specifying that the Department of Accounting and General Services shall conduct surveys of all departments concerning any unused facilities that may be used by public charter schools on a biennial, rather than semi-annual, basis;
- (2) Specifying that the Department of Accounting and General Services shall submit biennial, rather than semi-annual, reports on the inventory of unused department facilities to the State Public Charter School Commission; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2382, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2382, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.
Education: Ayes, 4. Noes, none. Excused, 1 (Dela Cruz).
Government Operations: Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Rhoads).

SCRep. 2524 Education on S.B. No. 2921

The purpose and intent of this measure is to require any money \$10 or under collected by the unclaimed property program and net proceeds \$10 or under from the sale of unclaimed property held in state custody for over five years to be deposited into the libraries special fund.

Your Committee received testimony in support of this measure from the Hawaii State Public Library System and two individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that Hawaii's public libraries offer many public benefits, including acting as community gathering places where learning happens and knowledge is shared. Many members of the public, including children and kupuna, rely on the public library system. This measure provides an opportunity to increase support to the Hawaii State Public Library System for the increasing demands of library patrons for library books and materials.

Your Committee has amended this measure by deleting section 2 and inserting language that:

- (1) Increases the threshold for claims made for funds in the unclaimed property trust fund from \$100 to \$250;
- (2) Specifies that unclaimed funds of \$10 or less in the unclaimed property trust fund, upon the expiration of a ten-year time limitation, shall escheat to the State and be transferred to the libraries special fund;
- (3) Specifies that unclaimed funds of more than \$10 but less than \$250 in the unclaimed property trust fund, upon expiration of the ten-year time limitation, shall escheat to the State and be transferred to the general fund; and
- (4) Makes a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2921, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2921, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 2525 Education on S.B. No. 3002

The purpose and intent of this measure is to authorize public libraries to perform the services of a notary public for a fee.

Your Committee received testimony in support of this measure from the Hawaii State Public Library System. Your Committee received testimony in opposition to this measure from the Association of Hawaii Notaries. Your Committee received comments on this measure from the Department of the Attorney General

Your Committee finds that Hawaii State Public Library System staff have received requests for notary services, particularly in rural areas of the State. In order to provide this much needed service to the public, allowing the public libraries to charge a fee for performing notary services will help to offset expenses incurred from maintaining a notary commission.

Your Committee has amended this measure by:

- (1) Inserting language that specifies that the State Librarian shall have the ability to designate one or more public library employees to be a notary public;
- (2) Adopting language proposed by the Department of the Attorney General that authorizes designated employees, upon duly qualifying and receiving commissions as notaries public in government service, to perform notary services in nongovernmental matters for fees to be deposited into the library fee for enhanced services special fund; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3002, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3002, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 2526 Judiciary on S.B. No. 2583

The purpose and intent of this measure is to designate June 21 of each year as International Yoga Day.

Your Committee received testimony in support of this measure from the Gandhi International Institute for Peace, Creative Cuisine, All Believers Network, and four individuals.

Your Committee finds that yoga is a long standing tradition in Indian culture that is practiced by many people in Hawaii. On December 11, 2014, the United Nations adopted UN General Assembly Resolution A/Res/69/131, which proclaimed June 21 as the International Day of Yoga. Accordingly, this measure will recognize June 21 of each year as the International Day of Yoga in Hawaii.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2583 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2527 Commerce, Consumer Protection, and Health on S.B. No. 2201

The purpose and intent of this measure is to:

- (1) Remove the word "Examiners" from the State Board of Chiropractic Examiners, Board of Dental Examiners, Board of Examiners in Optometry, and Board of Veterinary Examiners; and

- (2) Rename these boards with titles that accurately reflect their scope and duties.

Your Committee received testimony in support of this measure from the Hawaii Dental Hygienists' Association, two individuals, and a petition with ninety-six names. Your Committee received testimony in opposition to this measure from the Board of Dental Examiners. Your Committee received comments on this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs.

Your Committee finds that several regulatory boards in Hawaii have the word "Examiners" in their names, although the boards no longer administer examinations. Accordingly, this measure removes the word "Examiner" from the State Board of Chiropractic Examiners, Board of Dental Examiners, Board of Examiners in Optometry, and Board of Veterinary Examiners, and renames these boards with titles that accurately reflect each board's respective scope and duties.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2201, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2201, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 2528 Commerce, Consumer Protection, and Health on S.B. No. 2053

The purpose and intent of this measure is to:

- (1) Make permanent the regulation of athletic trainers; and
- (2) Exempt from the regulation of athletic trainers an individual who accompanies an athlete or team of athletes into the State for a temporary period and who does not possess a valid license, registration, or certification from another jurisdiction because that jurisdiction does not regulate athletic trainers.

Your Committee received testimony in support of this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs and Hawaii Athletic Trainers' Association. Your Committee received comments on this measure from the Office of the Auditor.

Your Committee finds that athletic trainers are health care professionals who specialize in the prevention, assessment, treatment, and rehabilitation of injuries and illnesses of athletes. Athletic trainers in Hawaii are employed in the State's public schools, some private schools, colleges, universities, hospitals, physicians' offices, clinics, and by the military.

Your Committee further finds that the existing regulatory scheme for athletic trainers is scheduled to sunset on June 30, 2018. A recent report from the Office of the Auditor found that the services an athletic trainer provides may affect the health and safety of athletes, while the proficiencies required by the current regulatory scheme are reasonably necessary to protect athletes under an athletic trainer's care. The Auditor's report also found that the current regulation of athletic trainers does not impose unreasonable restrictions on individuals entering the profession and recommends that the current registration requirement for athletic trainers be extended.

Your Committee additionally finds that this measure makes permanent the regulation of athletic trainers and also adds an exemption from registration for those individuals temporarily accompanying teams to Hawaii for an athletic or sporting event from a jurisdiction that does not regulate athletic trainers. Your Committee notes that California is the only state in the country that does not regulate athletic trainers. However, according to testimony from the Hawaii Athletic Trainers' Association, because California is currently in the process of passing legislation to enact its own registration program, the exemption language in this measure may be unnecessary. Your Committee understands these concerns and finds that an amendment to this measure is necessary.

Accordingly, your Committee has amended this measure by:

- (1) Removing language that would have exempted from the regulation of athletic trainers an individual who accompanies an athlete or team of athletes into the State for a temporary period and who does not possess a valid license, registration, or certification from another jurisdiction because that jurisdiction does not regulate athletic trainers; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2053, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2053, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Espero, Ihara).

SCRep. 2529 Commerce, Consumer Protection, and Health on S.B. No. 2258

The purpose and intent of this measure is to clarify that the licensing requirements for hearing aid dealers and fitters shall not apply to audiologists licensed pursuant to chapter 468E, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Board of Speech Pathology and Audiology, Island Audiology, and one individual. Your Committee received comments on this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs.

Your Committee finds that under existing law, audiologists must be licensed as an audiologist under chapter 468E, Hawaii Revised Statutes, and as a hearing aid dealer and fitter, pursuant to chapter 451A, Hawaii Revised Statutes. However, your Committee notes

that audiologist licensees must complete a rigorous academic study and clinical training that far exceeds the education and training requirements for hearing aid dealers and fitters. Audiologists are also required to pass a licensure examination that tests items that are equivalent to or higher than the test items on the hearing aid dealers and fitters licensure examination.

Your Committee additionally finds that requiring audiologists to hold dual licensure as an audiologist and a hearing aid dealer and fitter is redundant and burdensome. Furthermore, because audiologist licensing requirements surpass the requirements for licensure as a hearing aid dealer and fitter, not requiring audiologists to hold a second license as a hearing aid dealer and fitter will not result in consumer harm.

Your Committee has amended this measure by:

- (1) Clarifying within the audiologists' practice act that to be eligible for licensure as an audiologist, a person shall not be required to also be licensed as a hearing aid dealer and fitter; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2258, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2258, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Espero, Ihara).

SCRep. 2530 (Joint) Government Operations and Labor on S.B. No. 3014

The purpose and intent of this measure is to clarify requirements for public works projects for a bidder who is a party to an apprenticeship agreement.

Your Committees received testimony in opposition to this measure from the General Contractors Association of Hawaii and Building Industry Association of Hawaii. Your Committees received comments on this measure from the Associated Builders and Contractors Hawaii Chapter.

Your Committees find that promoting trade apprenticeships are important for the future well-being of the State. Apprenticeships in the trades provide invaluable learning experiences for individuals seeking to better themselves and develop skills for life-long careers. Those who work with apprentices should be incentivized to continue doing so. Accordingly, this measure attempts to incentivize apprenticeships through public works contracts by requiring a governmental body that enters into a public works contract under the procurement code having an estimated value of at least \$250,000 to decrease the bid amount of a bidder by five percent if the bidder is a party to an apprenticeship agreement registered with the Department of Labor and Industrial Relations for each type of classification that the bidder will list on the certified payroll affidavit to construct the public works.

Your Committees have amended this measure by:

- (1) Clarifying that section 103-55.6, Hawaii Revised Statutes, applies to apprenticeable trades that a bidder will directly employ to construct the public works; and
- (2) Requiring that, prior to the award, the procurement agency shall verify that the apprenticeable trade in which the bidder qualified for the preference is a trade needed to construct the public works project for which the offer is being made.

As affirmed by the records of votes of the members of your Committees on Government Operations and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3014, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3014, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.
Government Operations: Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).
Labor: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2531 Commerce, Consumer Protection, and Health on S.B. No. 2938

The purpose and intent of this measure is to authorize the Insurance Commissioner to grant variances, waivers, or no action letters with respect to specific requirements of the Insurance Code or its rules when certain conditions are met.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, American Insurance Association, and Hawaii Medical Service Association.

Your Committee finds that technology and consumer expectations are rapidly transforming the regulated insurance industry. Substantial investments are being made in innovative insurance products, services, and technologies, which have great potential to improve risk mitigation, improve efficiencies, reduce costs of insurance transactions, speed up claim payments, and improve overall customer understanding of, and satisfaction with, this essential form of financial protection.

Your Committee further finds that it is advantageous to have a procedure available to provide narrowly-tailored variances for insurers, as this could promote expanded competition and innovation in the insurance industry and ultimately benefit consumers. Your Committee additionally finds that this measure authorizes the Insurance Commissioner to approve applications for no action letters, waivers, or variances with respect to certain enforcement or application requirements of the State's insurance laws, but does not alter existing requirements regulating the financial viability and duties and obligations of insurers. This measure therefore encourages the piloting and testing of new and innovative products, pricing, and ways of delivering insurance to businesses and consumers.

Your Committee has amended this measure by:

- (1) Clarifying the Insurance Commissioner's ability to approve applications for no action letters, waivers, or variances; and

- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2938, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2938, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 2532 Commerce, Consumer Protection, and Health on S.B. No. 2799

The purpose and intent of this measure is to allow licensed dental hygienists to practice under the general or direct supervision of any licensed dentist providing dental services in a public health setting.

Your Committee received testimony in support of this measure from the Department of Health, Board of Dental Examiners, Hawaii Medical Service Association, Hawaii Public Health Institute, Hawaii Dental Hygienists' Association, Hawaii Primary Care Association, Hawaii Dental Association, Lānaʻi Community Health Center, Hawaii Dental Service, Hui No Ke Ola Pono, five individuals, and a petition with ninety-seven names.

Your Committee finds that oral health is a critical component of a person's general health and well-being. Poor oral health can adversely affect a person's overall health and can negatively impact a person's ability to eat, speak, learn, work, and communicate. Your Committee further finds that Hawaii residents have a significantly higher prevalence of tooth decay than the national average, while the State's children have the highest prevalence of tooth decay in the nation. According to testimony from the Department of Health, a 2015 report issued by the Department identified key strategies to improve oral health in Hawaii, among them community-based prevention programs, screening and referral services, and restorative dental care. Your Committee additionally finds that preventative care in particular emphasizes the importance of ongoing hygiene procedures and daily practice to prevent tooth decay and other dental diseases and conditions and can result in less extensive and expensive treatment for any dental conditions that may develop.

Your Committee also finds this measure expands accessibility of preventative dental care by expanding the public health settings in which dental hygienists may provide care and broadening the services that can be performed by licensed dental hygienists in public health settings to include teeth cleanings, x-rays, and intra-oral or extra-oral photographs, while also holding the supervising licensed dentist responsible for procedures performed by the dental hygienist. This measure therefore reduces barriers to oral health care and supports and promotes expanded access to dental services for underserved and vulnerable populations in public health settings.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2799, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2799, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Espero, Ihara).

SCRep. 2533 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2496

The purpose and intent of this measure is to:

- (1) Exempt from licensure requirements for behavior analysts certain individuals who implement applied behavior analysis services or plans under the oversight or direction of others; and
- (2) Update and standardize the terminology used to refer to behavior analysts.

Your Committees received testimony in support of this measure from the Department of Health, Department of Human Services, Special Education Center of Hawaii, Hawaii Waiver Providers Association, Hawaii Psychological Association, Lanakila Pacific, Full Life, Easter Seals Hawaii, The Arc of Kona, The Arc in Hawaii, Goodwill Industries of Hawaii, and thirty-one individuals. Your Committees received testimony in opposition to this measure from the Hawaii State Teachers Association; Hawaii Disability Rights Center; Autism Behavior Consulting Group Hawaii; Aloha Behavioral Associates, LLC; Hawaii Association for Behavior Analysis; and one hundred thirteen individuals. Your Committees received comments on this measure from the Department of the Attorney General, Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs, and Hawaii Medical Service Association.

Your Committees find that the Department of Health's Developmental Disabilities Division operates Hawaii's Medicaid Intellectual and Developmental Disabilities Home and Community-Based Services Waiver (I/DD Waiver) on behalf of the Department of Human Services, Med-QUEST Division. Your Committees note that the provision of applied behavior analysis services in the I/DD Waiver is only for adults and is most often used for people with entrenched and challenging behaviors that include self-harm and aggression toward others.

According to testimony received by your Committees, the broad definition of the practice of behavior analysis has been interpreted to mean even simple behavior interventions, including for adults without autism, require a licensed behavior analyst. Although the number of licensed behavior analysts is growing, there is a current shortage of licensed behavior analysts in the State. This lack of workforce, coupled with the shortage of licensed behavior analysts needed to supervise registered behavior technician training hours, has limited access to behavior analysis services for adults in the I/DD Waiver, who generally have high-end behaviors that require staff-intensive approaches. Accordingly, your Committees further find that this measure supports access to the necessary applied behavior analysis services for adults in the I/DD Waiver, while also maintaining appropriate quality assurance, participant safeguards, and participant rights.

Your Committees have amended this measure by:

- (1) Clarifying that an individual who designs or implements applied behavior analysis services to participants in the Medicaid Home and Community-Based Services Waiver program pursuant to section 1915(c) of the Social Security Act on or before January 1, 2024, shall be exempt from behavior analyst licensure;
- (2) Clarifying that a family member, legal guardian, or caregiver implementing an applied behavior analysis plan and who acts under the direction of a licensed behavior analyst or Hawaii-licensed psychologist shall be exempt from licensure;
- (3) Inserting a definition of “caregiver”; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2496, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2496, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Ruderman, Tokuda).

Human Services: Ayes, 3. Noes, none. Excused, 2 (Tokuda, Wakai).

SCRep. 2534 Commerce, Consumer Protection, and Health on S.B. No. 2339

The purpose and intent of this measure is to require every pharmacy to accept for disposal the return of any unused, remaining, or expired prescription drug that the pharmacy previously dispensed.

Your Committee received testimony in support of this measure from the University of Hawai‘i at Hilo and two individuals. Your Committee received testimony in opposition to this measure from Walgreens Co.; Molokai Drug, Inc.; and one individual. Your Committee received comments on this measure from the Department of Health, Department of Public Safety, Board of Pharmacy, Kaiser Permanente Hawai‘i, Hawaii Pharmacists Association, Hawaii Substance Abuse Coalition, Times Pharmacy, and Product Stewardship Institute.

Your Committee finds that the rates of abuse and diversion of prescribed medication are on the rise in the State and throughout the country, with drug poisoning being the leading cause of death by injury in the United States. Furthermore, according to the National Institute on Drug Abuse, most prescription drug abusers obtain their drugs from friends and family, often taking them from home medicine cabinets without permission. Accordingly, this measure seeks to address the issue of disposal of prescription drugs by requiring a pharmacy to accept for disposal any unused, remaining, or expired prescription drug previously dispensed by the pharmacy.

However, your Committee has heard the concerns that this measure may conflict with federal Drug Enforcement Agency requirements. Your Committee notes that a 2014 federal regulation allows pharmacies to voluntarily implement in-store collection kiosks or provide mail-back envelopes in their stores. However, to implement these systems, pharmacies must pay for collection companies to maintain and dispose of pharmaceutical waste, and abide by strict procedures for the handling of waste. Furthermore, because pharmacies are controlled substance registrants, they generally must ship the drugs that are taken back from the community to a registered reverse distribution company for disposal. As there are no reverse distribution companies in Hawaii, all drugs taken back would have to be shipped to the mainland for disposal at possibly significant costs, which could have a negative effect on Hawaii’s small, independent pharmacies. Your Committee also notes that the State has already been working with law enforcement agencies to address the take back of opioids from the community. Your Committee understands these various concerns and concludes amendments to this measure are necessary.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that a pharmacy may, rather than shall, accept for disposal certain prescription drugs, using either collection receptacles or mail-back programs;
- (2) Specifying that opioids are excluded from the prescription drug return for disposal options of a pharmacy; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2339, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2339, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 2535 Commerce, Consumer Protection, and Health on S.B. No. 2770

The purpose and intent of this measure is to require health clubs, beginning on January 1, 2019, to maintain a surety bond of at least \$100,000 to be paid to any member who suffers loss of money paid due to the insolvency or cessation of operation of a health club.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs. Your Committee received testimony in opposition to this measure from the International Health, Racquet & Sportsclub Association.

Your Committee finds that existing law provides few protections for consumers when a health club ceases operations or becomes insolvent. Your Committee also finds that according to testimony from the Department of Commerce and Consumer Affairs, there have been several recent health club closures in Hawaii. As a result of these closures, customers who paid for services had no recourse to recover membership dues and initiation fees that were paid in advance. This measure therefore establishes surety bond requirements

for health clubs, with certain exceptions for health clubs that do not collect advance payment or fees, which will help consumers recover any dues and fees that were paid in advance to a health club if that health club later becomes insolvent or goes out of business.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2770, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2770, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Espero, Ihara).

SCRep. 2536 Commerce, Consumer Protection, and Health on S.B. No. 3082

The purpose and intent of this measure is to:

- (1) Extend the Money Transmitters Act to expressly apply to persons engaged in the transmission of virtual currency; and
- (2) Require a licensee dealing with virtual currency to provide a warning to a consumer prior to entering into an agreement with the consumer.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs. Your Committee received testimony in opposition to this measure from three individuals. Your Committee received comments on this measure from the Commission to Promote Uniform Legislation and Coinbase, Inc.

Your Committee finds that this measure extends the Money Transmitters Act to expressly apply to persons engaged in the transmission of virtual currency and provides a framework for the Division of Financial Institutions of the Department of Commerce and Consumer Affairs to regulate the still-emerging virtual currency industry, including establishing requirements for licensure, license renewal, examination, recordkeeping, reporting, prohibited practices, sanctions, and penalties. This measure also specifically authorizes the Division of Financial Institutions to accept like-kind virtual currency as permissible investments. According to testimony from the Division of Financial Institutions, this measure authorizes the Division to accept like-kind virtual currency as permissible investments, which addresses the concerns raised by some virtual currency money transmitters that they are unable to hold cash and cash-like permissible investments to cover their virtual currency transactions, as currently required under the Money Transmitters Act. Your Committee further finds that this measure allows virtual currency companies to obtain licensure and operate in Hawaii, while also providing protections for consumers.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3082, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3082, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 2537 Commerce, Consumer Protection, and Health on S.B. No. 2647

The purpose and intent of this measure is to amend the practicum experience requirements for qualification for licensure as a mental health counselor.

Your Committee received testimony in support of this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs, Hawaii Counselors Association, and one individual.

Your Committee finds that the existing educational requirements for application for licensure as a mental health counselor are overly specific, which has prevented some otherwise qualified individuals from gaining licensure. This measure generalizes the practicum intern experience to at least six semester hours or ten quarter hours within at least two academic terms, rather than requiring at least three semester hours or five quarter hours per academic term. Your Committee notes that this measure does not change the total practicum intern experience hours for licensure as a mental health counselor; rather, this measure provides greater flexibility for mental health counselor applicants to schedule and complete their practicum experience.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2647 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Espero, Ihara).

SCRep. 2538 Higher Education on S.C.R. No. 29

The purpose and intent of this measure is to request the State Auditor to conduct a forensic financial audit of the University of Hawaii's activities related to Mauna Kea.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and six individuals. Your Committee received testimony in opposition to this measure from three

individuals. Your Committee received comments on this measure from the University of Hawai'i System, Office of the Auditor, and Office of Hawaiian Affairs.

Your Committee finds that Mauna Kea is the most significant cultural and astronomical site in the world. The summit region of Mauna Kea is a spiritual and special place of significance that is home to cultural landscapes, fragile alpine habitats, and historical and archaeological treasures, as well as endemic species found nowhere else on the planet. Since 1998, four audits by the State Auditor have been critical of the management, stewardship, and protection of Mauna Kea. Although significant changes have occurred on Mauna Kea since the 1998 audit, negative experiences over the past fifty years have eroded public confidence and demonstrated the critical need for a financial audit to look into the University of Hawai'i's activities related to Mauna Kea.

Your Committee has amended this measure by:

- (1) Clarifying that the requested audit conducted by the State Auditor be a financial audit, not a forensic financial audit, that includes an examination of the financial records and an analysis of the financial management of the University of Hawai'i's activities related to Mauna Kea;
- (2) Deleting various elements and entities to be included in the audit, including certain leases, the Office of Mauna Kea Management Board, Kahu Kū Mauna, University of Hawai'i at Hilo astronomy program, and Hawai'i Island New Knowledge Fund;
- (3) Clarifying issues to be included in the audit related to the University of Hawai'i and Mauna Kea Observatories;
- (4) Inserting issues to be included in the audit related to the University of Hawai'i's implementation of the Mauna Kea comprehensive management plan; policies to generate revenues through leases, subleases, and permits; the negotiation for telescope subleases and commercial permittees; value of opportunity costs in balancing observatory development with public trust obligations; and funding sources and allocation activity related to Mauna Kea; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 29, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 29, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Keith-Agaran).

SCRep. 2539 Housing on S.C.R. No. 27

The purpose and intent of this measure is to request the Auditor to conduct a sunrise review of the licensure and regulation of home inspectors.

Your Committee received testimony in support of this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs, Hawai'i Association of REALTORS, and six individuals. Your Committee received testimony in opposition to this measure from Diamond Head Home Inspections and ten individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that buying a home could be the largest single investment a person or family will ever make. To minimize unexpected costs and delays in purchasing the home, it is important for the purchaser to learn as much as possible about the newly constructed or existing home before closing on the purchase. A home inspection may identify any needed repairs or builder defects prior to closing, as well as any maintenance issues that are necessary to keep the home in good condition after purchase. For existing homeowners, a home inspection can identify potential problems and suggest preventive measures that might help the homeowner avoid costly future repairs. For sellers, a home inspection can give the seller an opportunity to make repairs that will put the house in better selling condition. Thus, home inspectors play an integral role in many real estate transactions.

Your Committee further finds that unlike other professionals who are involved in real estate transactions such as real estate appraisers, real estate brokers and salespersons, mortgage loan originators, and mortgage servicers, home inspectors are not regulated by the State and do not require state licensure to perform services in Hawaii. By requesting the Auditor to conduct a sunrise review of the licensure and regulation of home inspectors, this measure complies with the Hawaii Regulatory Licensing Reform Act.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 27, as amended herein, and recommends that it be referred to your Committee on Commerce, Consumer Protection, and Health, in the form attached hereto as S.C.R. No. 27, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3; Ayes with Reservations (Green). Noes, none. Excused, 2 (Kahale, Nishihara).

SCRep. 2540 Commerce, Consumer Protection, and Health on S.B. No. 2774

The purpose and intent of this measure is to update various areas of the State's insurance laws, including:

- (1) Adopting the National Association of Insurance Commissioners' Corporate Governance Annual Disclosure Model Act;
- (2) Allowing the Department of Commerce and Consumer Affairs and the Insurance Commissioner to determine whether an applicant's request to add or change a trade name or assumed name satisfies the State's Insurance Code and corporation law requirements;

- (3) Clarifying certain provider reimbursement requirements;
- (4) Adopting revisions to the Insurance Holding Company System Regulatory Act;
- (5) Providing the Insurance Commissioner with additional regulatory authority to supervise or liquidate a captive insurer;
- (6) Enabling the Insurance Division to temporarily create stopgap measures to implement the Network Adequacy Model Act;
- (7) Changing the notice requirements and recordkeeping obligations for vehicle protection product warrantors and service contract providers; and
- (8) Making various housekeeping amendments to clarify existing language and avoid ambiguities.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Board of Nursing, Board of Pharmacy, and American Council of Life Insurers. Your Committee received comments on this measure from the Office of Information Practices and Hawaii Medical Service Association.

Your Committee finds that this measure is intended to update and improve various areas of the State's insurance laws, including adopting the National Association of Insurance Commissioners' (NAIC) Corporate Governance Annual Disclosure Model Act (Model Act) to maintain the State's accreditation with the NAIC. According to testimony from the Department of Commerce and Consumer Affairs, although regulators obtain a significant amount of information on insurers' corporate governance practices during full-scope examinations, information on governance practices, which may include changes that can substantially impact current and prospective solvency, is not widely available to regulators in the period between onsite examinations. The adoption of the NAIC's Model Act, as proposed by this measure, will ensure that sufficient information on corporate governance practices is available to assess insurer solvency on a regular basis.

However, your Committee has heard the concerns from the Office of Information Practices that the confidentiality provision in the new article based on the Model Act is overly broad and covers all records, including blank forms, created by the Insurance Division to administer the new article. Your Committee finds that an amendment to the confidentiality provision is needed, as this provision is not intended to make confidential the Insurance Division's administrative records relating to the general administration of the new article, such as blank forms and workflow instructions for staff. Rather, this confidentiality provision is intended to protect records and information related to specific regulated businesses under the new article, whether the information and records are received from those businesses, included in communications with the Insurance Division, or part of the Insurance Division's internal discussions and deliberations, as much of this information is proprietary and may contain trade secrets. Your Committee notes that an additional amendment is also needed to clarify that records not made confidential under this section may still be withheld from public disclosure, to the extent that such records fall under an existing exception to disclosure under chapter 92F, Hawaii Revised Statutes.

Your Committee further finds that this measure, among other things, also clarifies reimbursement requirements for health care providers and discourages the practice of creating reimbursement mandates in the Insurance Code to accompany expansions in provider practice acts; adopts revisions to the NAIC's Insurance Holding Company System Regulatory Act for accreditation purposes; and temporarily allows the Insurance Division to create stopgap measures to implement the NAIC's Network Adequacy Model Act.

Your Committee has amended this measure by:

- (1) Clarifying the confidentiality provisions under the new Corporate Governance Annual Disclosure article;
- (2) Clarifying the short-term health insurance disclosure requirement disclaimer, to remove language that could be construed as no longer reflecting federal law;
- (3) Clarifying that health plans can provide reimbursement to health care providers who perform covered services, or to the insured health plan member, as appropriate;
- (4) Clarifying that captive risk retention groups are subject to the National Association of Insurance Commissioners' Risk Management and Own Risk and Solvency Assessment Model Act;
- (5) Clarifying that the repeal date of December 31, 2020, applies to sections 23 and 24 of this measure, relating to network adequacy; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2774, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2774, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 2541 Commerce, Consumer Protection, and Health on S.B. No. 2407

The purpose and intent of this measure is to include opioid addiction, substance abuse, and withdrawal symptoms resulting from the treatment of these conditions to the existing definition of "debilitating medical condition" as used in the medical use of cannabis law.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Drug Policy Forum of Hawaii, Hawaii Education Association for Licensed Therapeutic Healthcare, and two individuals. Your Committee received testimony in opposition to this measure from the Department of Health, Honolulu Police Department, Maui Police Department, Hawaii Substance Abuse Coalition, Ku Aloha Ola Mau, and five individuals. Your Committee received comments on this measure from The Queen's Health Systems.

Your Committee finds that opioid abuse is a serious public health concern. Your Committee further finds that the Centers for Disease Control and Prevention recommends that most cases of chronic pain be treated with non-opioid drugs.

Your Committee finds that cannabis is effective in treating chronic pain, both as a supplement to and as a replacement for opioid medication. Your Committee received testimony indicating that when patients are given access to cannabis, they reduce their opioid use by approximately fifty percent and that when opioids and cannabis are used together, they induce a greater reduction in pain than would result from simply adding the analgesic effects of both medications used singly. This suggests that the required analgesic dose of opioids is lower when opioids are used in combination with cannabis. Accordingly, your Committee finds that cannabis may be a valuable tool for the treatment of pain, especially as a way to reduce opioid use and dependence among patients who have already been prescribed opioid medication.

Your Committee also finds that some studies have indicated that cannabis users are more likely to adhere to a course of treatment for medication-assisted relapse prevention, and are slower to develop opioid tolerance. Your Committee also finds that other states which have permitted the use of cannabis in coordination with opioids have seen drops in addiction and overdoses, with opioid overdose rates falling by an average of twenty-five percent. Your Committee finds that existing law continues to impede research into coadministration of opioids and cannabis.

Your Committee further finds that genuine concerns exist about the efficacy and lack of scientific testing of cannabis as a treatment for opioid addiction. Your Committee acknowledges that other treatments for opioid addiction exist and have been tested. However, your Committee stresses that neither this measure nor existing law mandates a physician to certify that a patient may or must use cannabis; further, under existing law and under this measure, before a qualifying patient may use medical cannabis, the patient must obtain a written certification from the patient's physician or advanced practice registered nurse certifying that the patient has a debilitating disease that may benefit from use of medical cannabis. Your Committee also finds that many physicians may be uncomfortable conducting or discussing research on uses of cannabis that have not been authorized. Your Committee finds that existing law restricts the gathering and sharing of data on a potential use of medical cannabis that has shown early indications of efficacy, and that further study of this potential use is necessary. In light of the concerns raised, your Committee believes that further discussion of this measure is warranted.

Your Committee has also heard the concern of the Drug Policy Forum of Hawaii that the language used in this measure may perpetuate addiction as a social stigma rather than as a disease to be treated, and thereby discourage patients from seeking treatment. Your Committee finds that the language in this measure should be amended pursuant to the language proposed by the Drug Policy Forum of Hawaii.

Your Committee has amended this measure by:

- (1) Adopting language proposed by the Drug Policy Forum of Hawaii to accurately depict opioid use and substance use disorders as debilitating medical conditions, rather than describing them as addiction or abuse, which can be potentially stigmatizing;
- (2) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2407, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2407, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Nishihara, Tokuda). Noes, none. Excused, 1 (Ihara).

SCRep. 2542 Transportation and Energy on Gov. Msg. No. 504

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF TRANSPORTATION

G.M. No. 504 JADE BUTAY, for a term to expire at noon on 12-03-2018

Your Committee reviewed the personal history, resume, and statement submitted by Jade Butay for service as the Director of Transportation.

Your Committee received testimony in support of the nomination for the appointment of Jade Butay from Governor David Y. Ige; Department of Defense; Department of Transportation Harbors Division; Department of Land and Natural Resources; Department of Business, Economic Development, and Tourism; Department of Accounting and General Services; Department of Budget and Finance; Department of Labor and Industrial Relations; State Procurement Office; Hawaii Tourism Authority; Board of Water Supply; Kauai Filipino Chamber of Commerce; Hawaii Harbors Users Group; Pasha Group; Pacific Shipyards International; McCabe, Hamilton, and Renny Co., Ltd.; Hawaii Transportation Association; Airlines Committee of Hawaii; Hawaii Labors-Employers Cooperation and Education Trust; United Public Workers, Local 646, AFL-CIO; Filipino American Citizens League; Filipino Chamber of Commerce of Hawaii; Hawaii Friends of Civil Rights; Radcliffe and Associates, LLC; Capitol Consultants of Hawaii, LLP; SanHi Government Strategies; Airports Concessionaires Committee; Matson; Hawaii Lodging and Tourism Association; Hawaiian Airlines; General Contractors Association of Hawaii; Young Brothers; Imanaka Asato, LLLC; Cebuano Association of Hawaii, Inc.; Filipina Advocacy Network; Norwegian Cruise Line Holdings, Ltd.; Filipino Coalition for Solidarity; Saltchuk Hawaii; Filipinos for Affirmative Action; and thirty-one individuals.

Jade Butay is currently the Interim Director of Transportation, a position he has held since November 2017. From January 2015 to his nomination as Interim Director, Mr. Butay served as the Deputy Director of Administration at the Department of Transportation, a position he also held from 2011 to 2013. Between his years of service with the Department of Transportation, Mr. Butay served as the Deputy Director of the Department of Labor and Industrial Relations. He also worked as a management consultant for twelve years.

The nominee received a Masters in Business Administration from Babson College and a Bachelor of Business Administration from the University of Hawai'i at Mānoa.

Your Committee believes that the nominee possesses the qualifications to serve as Director of Transportation. His years as Deputy Director of Transportation have given him extensive knowledge of the Department's procedures and current projects, which will help provide continuity at the Department. Testifiers attest to the nominee's professionalism, integrity, diligence, and strong communication skills. His collaborative and cooperative nature will continue to serve Mr. Butay well as Director of Transportation as he leads the Department in building and improving the State's transportation infrastructure.

In addition to his professional background, numerous testifiers also mentioned the nominee's contributions back to his community. Over the years, the nominee has worked on projects related to equal access to higher education for minorities; language access issues; and other civil right issues. He has also served as a mentor and role model for students seeking higher education and to many young professionals.

Your Committee notes the nominee's vision for the Department of Transportation is to build and improve the State's transportation infrastructure to keep the traveling public safe and secure, increase their mobility, and have the transportation system contribute to the State's economic growth. Mr. Butay will work to avoid conflicting and confusing lines of authority by focusing on fostering an environment of mutual respect and open communication, identifying problems and issues before they get out of control, and working together to seek appropriate consensus on major decisions and policies. His budgetary priorities include improving infrastructure, modernizing facilities, promoting revenue enhancements, ensuring compliance with environmental and security requirements, and leveraging federal monies. In particular, Mr. Butay would like to see investment in automated control kiosks and additional visitor information program assistants at the airport, modernization at the airports and harbors, and development of two new offices in the Department - the Intelligent Transportation Systems Office and the Office of Law Enforcement and Security.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2543 Transportation and Energy on Gov. Msg. No. 505

Recommending that the Senate advise and consent to the nomination of the following:

DEPUTY DIRECTOR OF THE DEPARTMENT OF TRANSPORTATION

G.M. No. 505 ROY CATALANI, for a term to expire at noon on 12-03-2018

Your Committee reviewed the personal history, resume, and statement submitted by Roy Catalani for service as the Deputy Director of Transportation.

Your Committee received testimony in support of the nomination for the appointment of Roy Catalani from Governor David Ige; Department of Defense; Department of Transportation Harbors Division; Department of Business, Economic Development, and Tourism; Department of Accounting and General Services; Department of Budget and Finance; Hawai'i Tourism Authority; Oahu Economic Development Board; The Pasha Group; The Wilhelm Group; Hawaii Harbors Users Group; Pacific Shipyards International; Saltchuk Hawaii; McCabe, Hamilton, and Renny Co., Ltd.; Hawaii Transportation Association; Norwegian Cruise Line Holdings Ltd.; Chamber of Commerce Hawaii; SanHi Government Strategies; Radcliffe and Associates, LLC; Maui County Farm Bureau; Matson; Hawai'i Farm Bureau; General Contractors Association of Hawaii; Young Brothers; Cades Schutte; Peters Communications; and ten individuals.

Roy Catalani is currently the Interim Deputy Director of the Administration Division at the Department of Transportation, a position he has held since January 2018. Just prior to holding this position, he was Vice President of Strategic Initiatives and External Affairs for Young Brothers, Limited, a position he held for twelve years. He has experience as a partner in several law firms: Goodwill Anderson Quinn and Stifel, LLP; Catalani Nakanishi and Caliboso, LLP; and Rush Moore, LLP. Mr. Catalani served as Chair of the State Land Use Commission for one year, member of the State Land Use Commission for eight years, and Deputy Director of the Office of State Planning for one year, and has served on various non-profit boards and committees, including the YMCA of Honolulu, March of Dimes, Oahu Economic Development Board, Native Hawaiian Legal Corporation, and National Asian Pacific American Bar Association, Hawaii Chapter. The nominee received a Juris Doctorate and Bachelor of Arts from the University of Oregon, and attended Columbia University's Advanced Management Program.

Your Committee believes that the nominee, with his strong combination of experience in private practice and his public service with the State Land Use Commission and Office of State Planning, possesses the qualifications to serve as Deputy Director of the Department of Transportation. He has extensive knowledge of strategic, legal, regulatory, and governmental affairs, which is critical in managing a government agency. Mr. Catalani has also demonstrated the ability to complete facilities development and improvement initiatives, maximize operational efficiency, and perform operation expense reviews that help with cost control. Testifiers emphasized the nominee's legal background, experience with maritime operations, and managerial abilities as attributes that will lead to his success as the Deputy Director of the Department of Transportation.

Your Committee notes from the nominee's personal statement that the nominee views the mission of his position as administratively supporting the Director and Deputy Directors of the three operational divisions to meet their service goals and performance measures. In order to achieve these goals, Mr. Catalani will focus on matters such as filling vacant positions and addressing litigation issues so that the operational divisions can focus on their respective core missions.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2544 Judiciary on S.B. No. 2153

The purpose and intent of this measure is to repeal the requirement that candidate committee organizational reports include the name and address of each contributor who contributed an aggregate amount of more than \$100 to the candidate committee since the last election.

Your Committee received testimony in support of this measure from the Campaign Spending Commission and Common Cause Hawaii. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that candidate committee organizational reports contain directory-type information related to the composition of the committee. Candidate committees are already required to disclose their contributions in periodic disclosure reports as required by the Hawaii Revised Statutes. Removing the requirement that candidate committees redundantly disclose their contributions in the organizational report will make the organizational reports more efficient without sacrificing the public's access to contribution information.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2153 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Gabbard, Kim).

SCRep. 2545 Judiciary on S.B. No. 2154

The purpose and intent of this measure is to repeal the reporting requirement regarding contributions in organizational reports of noncandidate committees and noncandidate committees making only independent expenditures.

Your Committee received testimony in support of this measure from the Campaign Spending Commission.

Your Committee finds that noncandidate committee organizational reports contain directory-type information related to the composition of the committee. Noncandidate committees are already required to disclose their contributions in periodic disclosure reports as required by the Hawaii Revised Statutes. Removing the requirement that noncandidate committees redundantly disclose their contributions in the organizational report will make the organizational reports more efficient without sacrificing the public's access to contribution information.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2154 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Gabbard, Kim).

SCRep. 2546 (Majority) Judiciary on S.B. No. 2609

The purpose and intent of this measure is to require certain information on the financial disclosure statements deemed to be public records for non-paid volunteer members of state boards to be redacted.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation and one individual. Your Committee received testimony in opposition to this measure from the Hawaii State Ethics Commission, Common Cause Hawaii, and League of Women Voters.

Your Committee finds that state boards often struggle to attract and retain qualified members for non-paid volunteer positions. The public disclosure requirement for such non-paid volunteer members is a significant deterrent for prospective applicants. While requiring certain information on the public financial disclosure statements of non-paid volunteer members of state boards to be redacted will reduce the deterrent effect of the financial disclosure requirement, your Committee also recognizes the countervailing public interest in openness and transparency in government.

Accordingly, your Committee has amended this measure by inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2609, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2609, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 2; Ayes with Reservations (Rhoads). Noes, 1 (Thielen). Excused, 2 (Gabbard, Kim).

SCRep. 2547 Judiciary on S.B. No. 2461

The purpose and intent of this measure is to:

- (1) Establish the offense of misrepresentation of a service animal; and

- (2) Change the definition of “service dog” to “service animal” and amend the definition of that term to conform with the Americans with Disabilities Act of 1990.

Your Committee received testimony in support of this measure from the Hawaii Food Industry Association and four individuals. Your Committee received testimony in opposition to this measure from the Hawai‘i Civil Rights Commission. Your Committee received comments on this measure from the Department of the Attorney General, Disability and Communication Access Board, and Hawaii Disability Rights Center.

Your Committee finds that fraudulent misrepresentation of pets and untrained animals as service animals is widespread and harmful to persons who legitimately rely on service animals. Currently, there are no legal consequences for misrepresenting a pet or other untrained animal as a service animal. Establishing penalties for such misrepresentation could function as a deterrent.

Your Committee notes concern about the practical enforcement of a penalty for misrepresentation of a service animal and encourages the Department of Human Services to review this measure. Your Committee further encourages the Working Group on Service Animals proposed by Senate Concurrent Resolution No. 28, Regular Session of 2018, consider the penalties and definitional language established by this measure should that resolution be adopted by the Legislature.

Your Committee has amended this measure by:

- (1) Adding to and clarifying the legislative findings in the purpose section;
- (2) Making misrepresentation of a service animal a civil violation instead of a misdemeanor offense;
- (3) Establishing civil fines of not less than \$100 and not more than \$250 for a first violation and not less than \$500 for a second violation and each violation thereafter;
- (4) Removing the non-exclusive list of example tasks from the definition of “service animal”;
- (5) Inserting an effective date of January 1, 2035, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2461, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2461, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Gabbard, Kim).

SCRep. 2548 Commerce, Consumer Protection, and Health on S.B. No. 3025

The purpose and intent of this measure is to establish certain disclosure requirements for publishers of video games that contain a system of purchasing a randomized reward or consumable virtual item that can be redeemed and directly or indirectly converted to a randomized reward.

Your Committee received testimony in support of this measure from the Hawaii Youth Services Network and four individuals. Your Committee received testimony in opposition to this measure from the Entertainment Software Association and Retail Merchants of Hawaii. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that the multi-billion-dollar video game industry is extremely popular in America. Video games and gaming content are widely and easily available to consumers and may be purchased at the touch of a button through smart phones, gaming consoles, or personal computers. However, video games that contain randomized rewards or variable reward mechanisms, also known as loot boxes, may introduce children and young adults to the thrills of gambling at an age when their brains are not fully developed. According to testimony received by your Committee, children and youth are vulnerable to developing behavioral addiction to gambling and lack the maturity or knowledge to recognize the risks they encounter. Furthermore, parents and other responsible adults are often unaware of the randomized rewards that are often available in the video games their children are using. Your Committee notes that the ubiquitous reach of video games, which require active, lengthy participation and exposure to the psychological manipulation techniques of loot boxes, may present harmful risks to the financial well-being and mental health of individuals, especially vulnerable youth and young adults. This measure therefore establishes certain disclosure requirements for publishers of video games that contain a system to purchase a randomized reward or consumable virtual item.

Your Committee has amended this measure by:

- (1) Inserting a definition of “randomized reward”; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3025, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3025, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 2549 Commerce, Consumer Protection, and Health on S.B. No. 2638

The purpose and intent of this measure is to prohibit a licensing authority from adopting rules that authorize an unlicensed individual to perform duties that may overlap or conflict with the duties and scope of licensed professions or vocations.

Your Committee received testimony in support of this measure from the Hawaii Dental Hygienists' Association, two individuals, and a petition with ninety-seven names. Your Committee received testimony in opposition to this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs, Board of Dental Examiners, and Hawaii Dental Association. Your Committee received comments on this measure from the Hawai'i Psychological Association.

Your Committee finds that professional or vocational licensed individuals may employ auxiliary personnel to assist these licensed individuals in the practice of the profession or vocation. Although these auxiliary personnel are a valuable part of a team, they may not be licensed or certified in Hawaii or required to meet the same stringent standards of training and care as licensed individuals in certain professions or vocations. Accordingly, it is important that these unlicensed individuals do not infringe upon a particular licensed profession's scope of practice.

Your Committee further finds that it is the Legislature who determines duty and scope of practice for licensed professionals in the State. Therefore, your Committee finds that it is not appropriate for a licensing authority to adopt rules that attempt to circumvent or supersede existing law regarding duty and scope of practice for other licensed professionals. Your Committee additionally finds that in the case of a conflict between licensing laws and rules passed by a licensing authority, the licensing laws prevail.

Finally, although your Committee acknowledges that the scope of practice for certain licensed professionals may overlap, your Committee notes that this measure addresses situations where unlicensed personnel are being asked to take on responsibilities for which the Legislature, through the legislatively determined parameters contained in the Hawaii Revised Statutes, has determined that a license is required.

Your Committee has amended this measure by:

- (1) Specifying that a licensing authority shall not use rules to supersede requirements under applicable licensing laws;
- (2) Clarifying that a licensing authority shall not adopt rules that authorize an unlicensed individual to perform duties, activities, or functions that, if performed by another professional, would require licensure of that professional, rather than prohibiting a licensing authority from adopting rules that infringe upon, overlap with, or conflict with the scope of practice of any licensed professional;
- (3) Specifying that in the case of a conflict between licensing laws and rules, the licensing laws shall prevail;
- (4) Specifying that the requirements do not apply to apprentices or trainees working toward licensure in an apprenticeship program or clinical program; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2638, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2638, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 2550 Commerce, Consumer Protection, and Health on S.B. No. 270

The purpose and intent of this measure is to prohibit persons licensed to provide professional counseling from engaging in, attempting to engage in, or advertising sexual orientation change efforts on persons under eighteen years of age.

Your Committee received testimony in support of this measure from the Office of the Lieutenant Governor; Department of Health; Oahu County Committee, Legislative Priorities Committee of the Democratic Party of Hawai'i; Kupuna Caucus of the Democratic Party of Hawai'i; LGBT Caucus of the Democratic Party of Hawai'i; Hawaii State Teachers Association; National Association of Social Workers – Hawai'i Chapter; Hawaii Section of the American College of Obstetricians and Gynecologists; Americans for Democratic Action; Hawai'i Friends of Civil Rights; IMUAlliance; Young Progressives Demanding Action – Hawaii; Save Medicaid Hawaii; Filipina Advocacy Network; Planned Parenthood Votes Northwest and Hawaii; National Center for Lesbian Rights; Hawaii LGBT Legal Association; Hawaii Children's Action Network; Hawai'i Psychological Association; Hawaii Youth Services Network; Cathedral of Hope United Church of Christ; and eighty individuals. Your Committee received testimony in opposition to this measure from the Hawaii Family Forum, Honolulu County Republican Party, Hawaii Catholic Conference, and fourteen individuals. Your Committee received comments on this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and League of Women Voters.

Your Committee finds that according to the American Psychological Association, sexual orientation change efforts, also known as conversion therapy, tend to do more harm than good. Children and adolescents who participate in these types of interventions, which often use fear-based techniques, are given inaccurate scientific information regarding sexual orientation and gender identity and are also at risk of increased self-stigma and psychological distress. Participants in sexual orientation change efforts report many negative consequences from these interventions including anger, anxiety, depression, guilt, hopelessness, loss of social support, relationship problems with significant others and families, social isolation, suicidal thoughts, self-hatred, and sexual dysfunction.

Your Committee additionally finds that all the leading professional organizations involved in the treatment of children have issued statements opposing sexual orientation change efforts, including the American Psychological Association, American Medical Association, American Academy of Pediatrics, American Psychiatric Association, and National Association of Social Workers. Furthermore, the American College of Obstetricians and Gynecologists has found that "reparative therapy aimed to change sexual orientation by provoking guilt and anxiety to shame those who do not identify as heterosexual is ineffective and harmful", while the American Academy of Child and Adolescent Psychiatry recently issued a policy statement noting that these types of "conversion therapies" (or other interventions imposed with the intent of promoting a particular sexual orientation and/or gender as a preferred outcome) lack scientific credibility and clinical utility" and can be harmful.

Your Committee further finds that more states have taken action to protect lesbian, gay, bisexual, and transgender youth from the harmful practices associated with sexual orientation change efforts, including California, Connecticut, Illinois, Nevada, New Jersey, New Mexico, New York, Oregon, Rhode Island, Vermont, and the District of Columbia. According to testimony received by your Committee, although similar state laws have been challenged in court on constitutional grounds, these bans on sexual orientation change efforts have been upheld. Your Committee notes that the Supreme Court of the United States has declined to consider cases challenging similar laws, including turning away a challenge to New Jersey's law in 2015. Most recently, in May 2017, the Supreme Court of the United States let stand a lower court's ruling that California's ban was constitutional and neither impinged upon free exercise of religion nor impacted the activities of clergy members.

Your Committee also finds that this measure does not hinder counselors, health care providers, mental health providers, clergy, or parents from speaking to lesbian, gay, bisexual, and transgender children and adolescents. Rather, this measure regulates the conduct of state-licensed persons who provide professional counseling to minors under the age of eighteen, similar to existing consumer protection laws designed to protect the public against ineffective and unsafe treatment by Hawaii-licensed professionals.

Your Committee has amended this measure by:

- (1) Specifically identifying the state-licensed professionals who are prohibited from engaging in, attempting to engage in, or advertising sexual orientation change efforts, including physicians, especially those practicing psychiatry; psychologists; nurses; social workers; licensed mental health counselors; or licensed marriage and family therapists;
- (2) Clarifying that the term "sexual orientation change efforts" includes efforts to change gender identity or gender expressions and behaviors; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 270, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 270, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 2551 Water and Land on S.B. No. 2848

The purpose and intent of this measure is to:

- (1) Require any rules adopted by the Department of Land and Natural Resources pursuant to its rulemaking authority that regulates the fishing of bottomfish to be supported by peer-reviewed, scientific evidence and statistics on current status of stocks, indicating an environmental necessity of the regulation;
- (2) Apply the federal guidelines regarding annual catch limits of bottomfish in the absence of a rule adopted by the Department of Land and Natural Resources to restrict the fishing of bottomfish;
- (3) Require that when a coordinated state and federal management system is implemented, that management system be consistent with the fishery management plan provisions of the Magnuson-Stevens Fishery Conservation and Management Act of 1976, as amended; and
- (4) Specify the types of species referred to as bottomfish.

Your Committee received testimony in support of this measure from the Hawai'i Fishermen's Alliance for Conservation and Tradition, Inc.; and twenty individuals. Your Committee received testimony in opposition to this measure from the Office of Hawaiian Affairs and one individual. Your Committee received comments on this measure from the Department of the Attorney General and Department of Land and Natural Resources.

Your Committee finds that in the late 1990s, the federal government determined that overfishing of certain bottomfish was occurring around the main Hawaiian islands. To address the problem, the Department of Land and Natural Resources instituted a system for several bottomfish restricted fishing areas and various administrative rules. In 2007, the Department reduced the number of bottomfish restricted fishing areas but increased the area of the remaining twelve bottomfish restricted fishing areas.

Your Committee notes that pursuant to the federal determination of overfishing of certain bottomfish, the Department of Land and Natural Resources established a coordinated bottomfish management plan with the National Oceanic and Atmospheric Administration fisheries. The management plan includes peer-reviewed, science-based stock assessment that establishes the current annual catch limits, which stop all fishing, sale, and possession of certain species of bottomfish, referred to as deep 7 bottomfish, for each fishing year. Like this coordinated management plan, this measure will regulate bottomfish fishing in Hawaii through rules that are supported by peer-reviewed, scientific evidence.

Lastly, your Committee notes that adopting bottomfish fishing rules that are supported by peer-reviewed, scientific evidence may require funding. Thus, your Committee believes that providing a means of financing to the Department of Land and Natural Resources to adopt such rules merits further discussion as this measure moves through the legislative process.

Your Committee has amended this measure by:

- (1) Inserting an effective date of March 15, 2009, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2848, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2848, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Riviere, Thielen). Noes, none. Excused, none.

SCRep. 2552 Commerce, Consumer Protection, and Health on S.B. No. 2643

The purpose and intent of this measure is to provide an insurer with an exception to the requirement of providing all of its customers with annual privacy notices where the insurer provides nonpublic personal financial information to nonaffiliated third parties under certain conditions and the insurer's policies and practices regarding disclosure of such information are unchanged.

Your Committee received testimony in support of this measure from the Hawaii Medical Service Association, National Association of Mutual Insurance Companies, Property Casualty Insurers Association of America, American Council of Life Insurers, and American Insurance Association. Your Committee received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs and one individual.

Your Committee finds that existing law requires insurers to send annual privacy notices to all individuals covered by a group policy, regardless of whether there has been a change to the privacy policy, in conformity with the federal Gramm-Leach-Bliley Act. Your Committee further finds that a 2015 federal act included amendments to the privacy provisions of the Gramm-Leach-Bliley Act, and was intended to eliminate the costly and time consuming requirement of redundant annual privacy notices, if certain conditions were met. This measure therefore amends Hawaii's annual privacy notice requirements to reduce the need for redundant annual privacy notices.

However, your Committee has heard the concern raised by the Department of Commerce and Consumer Affairs that this measure may enable an insurer to avoid sending any additional privacy notices, after the initial required notice, regarding its policies and practices of disseminating customers' nonpublic personal financial information to nonaffiliated third parties, while continuously engaging in the release of this nonpublic personal financial information. Your Committee understands these concerns and concludes that amendments to this measure are necessary.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying the requirements for additional privacy notices that an insurer must send, rather than amending the exceptions to the annual privacy notice requirement, including:
 - (A) Permitting an insurer to send a privacy notice every five years, if the relationship between the insurer and a customer is renewed annually or less than annually and the insurer has not changed its policies and practices regarding disseminating customers' nonpublic personal financial information to nonaffiliated third parties;
 - (B) Requiring an insurer to provide an additional privacy notice upon renewal of a relationship between an insurer and a customer that lasts longer than a year; and
 - (C) Requiring an insurer that changes its policies and practices regarding disseminating customers' nonpublic personal financial information to nonaffiliated third parties to send an additional notice to customers after the change to its policies and practices;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2643, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2643, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 2553 Commerce, Consumer Protection, and Health on S.B. No. 2710

The purpose and intent of this measure is to permit brewpub and small craft producer pub licensees to allow minors, who are accompanied by a parent or legal guardian of legal drinking age, on the licensee's premises.

Your Committee received testimony in support of this measure from the Hawaiian Craft Brewers Guild; Maui Brewing Co.; Kauai Beer Company; Big Island Brewhaus; Honolulu BeerWorks; Waikiki Brewing Company; REAL a gastropub; Lanikai Brewing Company; Stewbum & Stonewall Brewing Co.; Kaua'i Island Brewing Company, LLC; Kohola Brewery; and two individuals. Your Committee received comments on this measure from the Liquor Commission of the City and County of Honolulu.

Your Committee finds that brewpubs and small craft producer pubs are popular community gathering places where people can meet their family and friends. Your Committee further finds that brewpubs and small craft producer pubs are not intended to promote mass consumption of alcohol; rather, these establishments offer customers a comfortable place to taste craft beer. However, your Committee notes that although minors are allowed to be in some craft beer establishments with a parent or legal guardian of legal drinking age, this is not consistent throughout the State.

Your Committee additionally finds that breweries and brewpubs are a growing business sector in Hawaii, and restricting families from being together at a brewpub or producer pub reduces the number of customers visiting these local establishments. This measure therefore permits brewpub and small craft producer pub licensees to allow minors, accompanied by a parent or legal guardian of legal drinking age, on the licensee's premises, which will increase the ability of local residents and visitors to experience Hawaii's local breweries, expand brand recognition for these breweries, and increase the market for all Hawaii craft beer.

Your Committee has amended this measure by:

- (1) Clarifying that brewpub and small craft producer pub licensees are permitted to allow minors, who are accompanied by a parent or legal guardian of legal drinking age, on the licensee's premises until 10:00 p.m.; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2710, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2710, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2554 Commerce, Consumer Protection, and Health on S.B. No. 2247

The purpose and intent of this measure is to expand the scope of registered pharmacists' practices by allowing registered pharmacists to prescribe, dispense, and provide related education on opioid antagonists without the need for a written, approved collaborative agreement.

Your Committee received testimony in support of this measure from the Department of Health; Board of Pharmacy; University of Hawaii Daniel K. Inouye College of Pharmacy; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Drug Policy Forum of Hawaii; Hawaii Pharmacist Association; Hawaii Substance Abuse Coalition; Times Pharmacy; Walgreen Co.; Ho'omana Pono, LLC; The CHOW Project; and sixteen individuals. Your Committee received testimony in opposition to this measure from seven individuals. Your Committee received comments on this measure from the Hawaii Medical Service Association and Kaiser Permanente.

Your Committee finds that the nationwide opioid epidemic continues to result in an alarming number of opioid overdose deaths, and that drug overdoses are one of the leading causes of injury-related mortality in Hawaii. Your Committee further finds that these deaths are often preventable via timely administration of an opioid antagonist, such as naloxone.

Your Committee further finds that pharmacists are well-situated to provide education about and access to opioid antagonists, just as pharmacists have previously helped raise immunization rates. Your Committee finds that mandatory written collaborative agreements between pharmacists and physicians are not necessary for the safe prescription and dispensation of opioid antagonists and impede timely, expanded access to opioid antagonists.

Your Committee has heard the concerns of the Board of Pharmacy, Walgreen Co., Times Pharmacy, and Kaiser Permanente that requiring pharmacists to obtain and maintain a written acknowledgment form may result in fewer pharmacists offering opioid antagonists. Your Committee finds that the written acknowledgment form, while well-intentioned, may provide a needless barrier to opioid antagonist access without offering significant protections to consumers. Further, these same testifiers raised to your Committee the concern that this measure is not specifically meant to address emergency administration of opioid antagonists, and that prohibiting pharmacists from requiring an appointment prior to prescribing an opioid antagonist forestalls the opportunity for pharmacists to discuss the use and effect of the opioid antagonist with the individual receiving the prescription. Your Committee agrees that the primary purpose of this measure is not to convert pharmacists into emergency responders, but rather to allow pharmacists to prescribe opioid antagonists and provide education ahead of time. Your Committee finds that allowing pharmacists to make appointments as appropriate will further the purposes of this measure.

Your Committee is aware of other concerns raised with respect to this measure and that additional discussion of this measure is warranted.

Your Committee has amended this measure by:

- (1) Clarifying that a pharmacist may prescribe and dispense an opioid antagonist to an individual who is at risk for an opioid overdose or prescribe and dispense an opioid antagonist to a family member or caregiver of such individual;
- (2) Clarifying that an opioid antagonist prescribed and dispensed for a family member or caregiver of an individual when that same individual is at risk for an opioid overdose may be prescribed and dispensed in the name of the individual who is to be treated with the opioid antagonist or an "Opioid Antagonist Recipient" or "OAR";
- (3) Deleting the requirement for pharmacists to obtain and maintain a written acknowledgment form signed by the individual receiving the opioid antagonist;
- (4) Deleting the prohibition against pharmacists requiring an appointment before the pharmacist prescribes or dispenses an opioid antagonist;
- (5) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2247, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2247, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2555 Commerce, Consumer Protection, and Health on S.B. No. 2711

The purpose and intent of this measure is to:

- (1) Clarify that a class 14 brewpub licensee or class 18 small craft producer pub licensee may conduct certain activities at locations other than the licensee's primary manufacturing premises under certain conditions;
- (2) Clarify the definition of growler; and
- (3) Allow direct shipping of all forms of liquor, rather than just wine, by certain licensees.

Your Committee received testimony in support of this measure from the Hawaiian Craft Brewers Guild; Waikiki Brewing Company; Honolulu BeerWorks; REAL a gastropub; Big Island Brewhaus; Maui Brewing Co.; Kauai Beer Company; Stewbum & Stonewall Brewing Co.; Lanikai Brewing Company; Kaua'i Island Brewing Company, LLC; and five individuals. Your Committee received comments on this measure from the Liquor Commission of the City and County of Honolulu.

Your Committee finds that the popularity of growlers, a type of container used to transport beer, continues to increase. Although growlers were originally made of glass, they are now made from a wider range of environmentally friendly reusable or recyclable materials. This measure reflects this change in container materials by defining growler as a recyclable or reusable container not to exceed one gallon.

Your Committee further finds that the State's craft breweries are increasing in number, through the addition of new start-up brewery businesses and the expansion of existing businesses. Breweries that have an initial or primary manufacturing premises may wish to expand to a new establishment, sometimes in a second county. This measure addresses inconsistencies in existing law by allowing a second location, which may not be a manufacturing facility, to conduct activities such as dispensing and retail sales under the same trade name as the original licensee, without having to obtain a second production license. However, your Committee has heard the concerns about the potential requirements for an additional public hearing for a licensee who wishes to open a second location in a different county, as your Committee notes that this is a costly and time-consuming process. Amendments to this measure are therefore necessary to clarify when a licensee may avoid the requirement for a public hearing prior to the establishment of a secondary location under the licensee's trade name.

Your Committee additionally finds that existing law allows the direct shipment of wine. This measure achieves parity across all categories of beverage alcohol by permitting direct shipment of specified amounts of beer, spirits, and wine. Your Committee notes that start-up breweries and smaller craft breweries usually lack access to distributors who will export their beer out of the State. This measure therefore provides an opportunity for Hawaii's craft beer businesses to offer products through direct sales to new markets and a wider customer base.

Your Committee has amended this measure by:

- (1) Clarifying that the public hearing requirements for another location of a class 14 brewpub licensee or class 18 small craft producer pub licensee, located within any county in the State, shall not apply to that other location, if there have not been any actionable complaints against the original class 14 licensee or class 18 licensee; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2711, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2711, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2556 Commerce, Consumer Protection, and Health on S.B. No. 2945

The purpose and intent of this measure is to eliminate the requirement that the applicant for a liquor license or a renewal of a license, or in the case of a transfer of a license, the transferor or transferee, produce either a tax clearance certificate from the Internal Revenue Service or proof of entering into an installment plan agreement with the Internal Revenue Service.

Your Committee received testimony in support of this measure from the Office of the Mayor, County of Maui; Department of Liquor Control, County of Maui; Liquor Commission, City and County of Honolulu; Department of Liquor Control, County of Kaua'i; Maui Hotel & Lodging Association; Merchant Horovitz, LLC; Ocean Tourism Coalition; Teralani Sailing Adventures; and one individual.

Your Committee finds that under existing law, all liquor license applicants and those renewing their licenses are required to submit tax clearances from the Hawaii Department of Taxation and the Internal Revenue Service. According to testimony received by your Committee, Hawaii is the only state in the country to require a federal tax clearance for liquor license applications and renewals.

Your Committee further finds that the Internal Revenue Service has faced increasing budgetary and resource challenges over the past few years, which has resulted in the decrease of Internal Revenue Service offices, personnel, and operating hours in Hawaii. This has particularly impacted the County of Maui, which has one Internal Revenue Service office open one day a week, and the County of Kauai, which lacks a local Internal Revenue Service office altogether. Your Committee additionally finds that liquor licensees and applicants throughout the State have experienced increasing difficulties obtaining the necessary tax clearance from the Internal Revenue Service, with some licensees experiencing breaks in service due to the inability of the Internal Revenue Service to accommodate required face-to-face appointments with licensees. This measure therefore removes the requirement for liquor licensees and applicants and transferors or transferees to obtain a tax clearance from the Internal Revenue Service, which will eliminate the undue hardships, costs, and delays currently experienced by many liquor licensees and applicants.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2945 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2557 Commerce, Consumer Protection, and Health on S.B. No. 2613

The purpose and intent of this measure is to:

- (1) Authorize the liquor commissions to issue a new restaurant liquor license prior to the restaurant commencing operation;
- (2) Require an applicant for a new class 2 restaurant liquor license to certify that the applicant intends to and shall derive no less than thirty percent of the establishment's gross revenue from the sale of foods; and
- (3) Clarify that a class 2 restaurant liquor license is transferrable; provided that the transferee certifies that the transferee intends to and shall derive no less than thirty percent of the establishment's gross revenue from the sale of foods.

Your Committee received testimony in support of this measure from Merchant Horovitz, LLC. Your Committee received comments on this measure from the Liquor Commission of the City and County of Honolulu.

Your Committee finds that certain liquor commissions do not permit new licensees to apply directly for a restaurant license. Instead, licensees are first required to apply for a dispenser general license, which can only be upgraded after one year. This measure clarifies that new restaurant liquor licenses may be issued by the liquor commission prior to the restaurant commencing operation.

According to testimony received by your Committee, certain liquor commissions also do not allow restaurant licensee holders to transfer restaurant liquor licenses. The inability to transfer a restaurant license may negatively impact long-established operators who wish to sell their businesses. An operator may face significant loss of value to the business if the operator cannot also transfer the restaurant liquor license, as a restaurant license enables licensees to offer catering service and allow minors on premises who are not accompanied by a parent or guardian, options that may not be available to other classes of licensees. This measure therefore clarifies that a class 2 restaurant liquor license is transferrable, but retains the liquor commission's ability to downgrade a license if the licensee ultimately does not meet the thirty percent food-sales threshold required of restaurant licensees.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2613 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2558 Water and Land on S.C.R. No. 14

The purpose and intent of this measure is to provide legislative approval, as required by law, to sell the leased fee interest in 2949 Ala Ilima Street, No. 204, Honolulu, Hawaii, to its current leasehold owner.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; and one individual. Your Committee received testimony in opposition to this measure from Ho'omanapono Political Action Committee. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the Hawaii Housing Finance and Development Corporation proposes to sell the leased fee interest in a condominium unit located at 2949 Ala Ilima Street, No. 204, to its leasehold owner. This condominium unit was built in 1971 as part of the Puana Malu Condominium, and only three units out of the total twenty-four units in the condominium remain in leasehold. The Corporation testified to your Committee that the property is no longer subject to affordable housing restrictions. The fair market value of the leased fee interest of the condominium unit was \$74,400 as of June 1, 2017. The sale proceeds will be deposited into the rental housing revolving fund to support the development and construction of additional affordable housing units. Since the Corporation has met all statutory prerequisites, this measure will provide legislative approval of the sale of the leased fee interest in accordance with section 171-64.7, Hawaii Revised Statutes, relating to legislative approval of the sale or gift of lands.

Your Committee has amended this measure by:

- (1) Specifying that as of August 15, 1895, the parcel was held in private ownership by Samuel M. Damon, who acquired title as a devisee under the will of Bernice Pauahi Bishop; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 14, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 14, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2559 Water and Land on S.C.R. No. 15

The purpose and intent of this measure is to provide legislative approval, as required by law, to sell the leased fee interest in 41-1373 Haunaukoi Street, Waimanalo, Hawaii, to its current leasehold owner.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; and one individual. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the Hawaii Housing Finance and Development Corporation proposes to sell the leased fee interest in a single family home located at 41-1373 Haunaukoi Street, Waimanalo, Hawaii, to its leasehold owner. This dwelling unit was built in 1994 as part of the Waimanalo Village Annex, an affordable self-help housing development. Only twenty-eight units out of the total forty units in the development remain in leasehold. The long-term leases executed by the homebuyers in this development included a provision conferring the lessees the right to purchase the leased fee interest in the land. The fair market value of the leased fee interest of the dwelling unit was \$398,200 as of May 9, 2017. The sale proceeds will be deposited into the rental housing revolving fund to support the development and construction of additional affordable housing units. Since the Corporation has met all statutory prerequisites, this measure will provide legislative approval of the sale of the leased fee interest in accordance with section 171-64.7, Hawaii Revised Statutes, relating to legislative approval of the sale or gift of lands.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 15, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 15, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2560 Water and Land on S.C.R. No. 18

The purpose and intent of this measure is to provide legislative authorization for the issuance of a term, non-exclusive easement covering a portion of state submerged lands at Waikiki, Honolulu, Oahu by the Board of Land and Natural Resources for the existing pier and seawall, and for use, repair, and maintenance of the existing improvements constructed thereon.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and one individual. Your Committee received testimony in opposition to this measure from Ho'omanapono Political Action Committee.

Your Committee finds that an existing pier and portions of a seawall fronting the property identified as Tax Map Key: (1) 3-6-001: seaward of 036, Waikiki, Honolulu, Oahu, were discovered to be encroaching upon state submerged lands. A previous owner of the abutting property worked with the Department of Land and Natural Resources to initially resolve the problem in 1989, and the Department subsequently approved a grant of a revocable permit to resolve the encroachment of about 112 square feet. However, an easement survey conducted in 2016 indicated additional areas of encroachment, including a portion of the seawall, which increased the total encroachment area to 331 square feet. Thus, the current owner of the abutting property is working with the Department to resolve the encroachment. The fair market value of the 331 square foot encroachment area was appraised at \$40,000. Since the Board of Land and Natural Resources has met all statutory prerequisites, this measure authorizes the issuance of a term, non-exclusive easement in accordance with section 171-53, Hawaii Revised Statutes.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 18, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 18, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2561 Water and Land on S.C.R. No. 19

The purpose and intent of this measure is to provide legislative authorization for the issuance of a term, non-exclusive easement covering a portion of state submerged lands at Kahala, Honolulu, Oahu by the Board of Land and Natural Resources for the existing seawall and steps, and for use, repair, and maintenance of the existing improvements constructed thereon.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources. Your Committee received testimony in opposition to this measure from Ho'omanapono Political Action Committee.

Your Committee finds that portions of an existing seawall and steps fronting the property identified as Tax Map Key: (1) 3-5-001: seaward of 004, Kahala, Honolulu, Oahu, are placed on state submerged lands. A previous owner of the abutting property worked with the Department of Land and Natural Resources to resolve the encroachment problem in 2009, and the Department subsequently approved a grant of a fifty-five-year term, non-exclusive easement to run with the land and to inure to the benefit of the abutting property. The term, non-exclusive easement covered 773 square feet and was appraised in 2010 at a fair market value of \$83,020.

Your Committee further finds that a subsequent survey indicated the shoreline to be further mauka, which resulted in an additional encroachment area of 191 square feet. Thus, the Board of Land and Natural Resources approved to amend the term, non-exclusive easement granted in 2009 to incorporate the additional encroachment area subject to the payment of additional consideration of \$20,513, which was based on the prorated value of the easement. Since the Board of Land and Natural Resources has met all statutory prerequisites, this measure authorizes the amendment of a term, non-exclusive easement in accordance with section 171-53, Hawaii Revised Statutes.

Accordingly, your Committee has amended this measure by:

- (1) Amending its title to reflect that the purpose of this measure is to authorize the amendment, rather than the issuance, of a term, non-exclusive easement; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 19, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 19, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2562 (Joint) Commerce, Consumer Protection, and Health and Housing on S.B. No. 2783

The purpose and intent of this measure is to:

- (1) Expand smoke-free zones around individual buildings of public housing projects and state low-income housing projects, and any entrance, exit, window, or ventilation intake that serves an enclosed or partially enclosed area;
- (2) Add smoke-free zones around administrative office buildings for public housing projects and elder or elderly housing; and
- (3) Increase the setback for designated smoking areas from twenty feet to twenty-five feet from any building.

Your Committees received testimony in support of this measure from the Hawaii Public Housing Authority, Department of Health, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii Public Health Institute, and one individual. Your Committees received testimony in opposition to this measure from three individuals.

Your Committees find that secondhand smoke contains more than seven thousand chemicals, hundreds of which are toxic, and approximately seventy of which can cause cancer. The United States Surgeon General concluded in 2010 that there is no risk-free level of exposure to tobacco smoke. Your Committee also finds that exposure to thirdhand smoke, which is residual nicotine and other chemicals left on indoor surfaces by tobacco smoke, may also pose health threats, especially to infants and young children who mouth objects and touch affected surfaces that may contain thirdhand smoke.

Your Committees further find that the United States Department of Housing and Urban Development instituted its final rule, effective February 3, 2017, requiring public housing agencies to implement a smoke-free policy by July 30, 2018, that establishes a twenty-five foot smoke-free radius around public housing units and administrative office buildings.

Your Committees find that this measure will bring Hawaii statutes into conformity with the United States Department of Housing and Urban Development's smoke-free policy and help protect residents of public housing and others in the vicinity of public housing project administrative office buildings from secondhand and thirdhand smoke.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2783 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.
Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).
Housing: Ayes, 3. Noes, none. Excused, 2 (Green, Kahele).

SCRep. 2563 (Joint) Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2965

The purpose and intent of this measure is to require the Hawaii Climate Change Mitigation and Adaptation Commission to identify, utilize, and maintain nature-based solutions in its climate change mitigation and adaptation efforts at the regional, state, and local levels.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; The Nature Conservancy; Sierra Club of Hawai'i; Blue Planet Foundation; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Ho'omana Pono, LLC; and four individuals. Your Committees received comments on this measure from the Office of Planning.

Your Committees find that climate change is a major threat to the economy, environment, and overall well-being of the State. Your Committees further find that this measure furthers the Legislature's commitments made in Act 32, Session Laws of Hawaii 2017, to reduce greenhouse gas emissions, adopt climate change mitigation and adaptation approaches, and support the provisions of the Paris Agreement.

Your Committees have amended this measure by:

- (1) Requiring the Hawaii Climate Change Mitigation and Adaptation Commission to prioritize, in addition to identifying, utilizing, and maintaining, nature-based solutions in its climate change mitigation and adaptation efforts at the regional, state, and local levels;
- (2) Defining "nature-based solutions" to mean actions to protect, sustainably manage, and restore natural or modified ecosystems that address societal challenges effectively and adaptively, while simultaneously providing human well-being and biodiversity benefits;
- (3) Inserting language to require the Hawaii Climate Change Mitigation and Adaptation Commission to develop a science-based carbon budget for Hawaii based on greenhouse gas analysis in the United Nations Intergovernmental Panel on Climate Change Fifth Assessment Report; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of

S.B. No. 2965, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2965, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 2564 Ways and Means on S.B. No. 2968

The purpose and intent of this measure is to improve the collection of the general excise tax from nonresident owners of real property located in the State.

More specifically, this measure:

- (1) Requires a person authorized to collect rent on behalf of a nonresident owner of real property located in the State to withhold the general excise tax due on rents collected; and
- (2) Requires a nonresident owner who receives rents attributable to real property located in the State to enter into a rent collection agreement with a person authorized to collect rents for the nonresident owner.

Your Committee received testimony in support of this measure from Niwao and Roberts, Certified Public Accountants.

Your Committee received testimony in opposition to this measure from the Coalition for Equal Taxation and Rental by Owner Awareness Association.

Your Committee received comments on this measure from the Department of Taxation, Hawaii Association of REALTORS, and Tax Foundation of Hawaii.

Your Committee finds that many nonresident owners of real property located in the State are unaware that Hawaii imposes a general excise tax on rental income. Your Committee also finds that, as a result, instances of nonresident property owners failing to report or pay general excise taxes on rental income attributable to real property they own in the State has become a pervasive problem. Your Committee further finds that this measure is intended to ensure that the State is able to collect the appropriate amount of taxes owed by all property owners.

Your Committee has amended this measure by:

- (1) Adding language imposing personal liability on a person who collects rent on behalf of a nonresident owner of real property located in the State;
- (2) Requiring that a person who reports and pays general excise taxes on behalf of a nonresident owner of real property located in the State do so on a separate general excise tax account;
- (3) Deleting language that would exclude property owners who are exempt from the general excise tax pursuant to section 237-23, Hawaii Revised Statutes;
- (4) Amending the effective date so that the measure applies to taxable years beginning after December 31, 2018; and
- (5) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2968, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2968, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Riviere, Shimabukuro).

SCRep. 2565 Ways and Means on S.B. No. 2756

The purpose and intent of this measure is to increase the inventory of affordable rental units in the State by repealing the statutory cap on the allocation of conveyance tax revenue dedicated for deposit into the rental housing revolving fund.

Your Committee received testimony in support of this measure from the Office of the Governor; Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; Hawaii Association of REALTORS; Hawaii Appleseed Center for Law and Economic Justice; Hawaii Construction Alliance; Partners in Care; Catholic Charities Hawaii; IMUAlliance; and eight individuals.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the rental housing revolving fund provides crucial gap financing to build affordable rental housing projects in the State. Your Committee also finds that current law provides for fifty percent of conveyance tax revenues to be deposited into the rental housing revolving fund, up to a maximum of \$38,000,000. Your Committee further finds that if the statutory cap of \$38,000,000 did not exist, an additional \$6,000,000 would have been deposited into the rental housing revolving fund during fiscal year 2016-2017, which would have been enough funding to make available an additional forty affordable rental housing units for the State.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making a technical nonsubstantive amendment for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2756, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2756, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Kidani, Riviere, Shimabukuro).

SCRep. 2566 Commerce, Consumer Protection, and Health on S.B. No. 3044

The purpose and intent of this measure is to require an on-set child welfare advocate to accompany and supervise a minor employed for theatrical purposes whenever the minor is on set and a variance from the work hour restrictions to allowable theatrical employment is granted.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; International Alliance of Theatrical Stage Employees, ALF-CIO, CLC, Local 884, The Studio Teachers and Welfare Workers; International Alliance of Theatrical Stage Employees, ALF-CIO, CLC, Local 665, Technicians for Film, Television, Stage and Production; and four individuals. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that Hawaii does not require a set teacher whenever a minor is employed for theatrical purposes, whereas such a requirement is commonplace in California. Your Committee finds that this measure enhances the existing Hawaii Child Labor Laws to ensure that child actors receive an adequate education while also being protected from dangerous filming situations and possible exploitation or abuse of child labor laws.

Your Committee further finds that while "on-set child welfare advocate" may be a term used within the film and theater industry, it may be confused with child welfare workers who work with protective services for children who have been neglected or abused; therefore, your Committee believes another term is necessary to describe the adult responsible for accompanying, supervising, and advocating for a minor on set.

Accordingly, your Committee has amended this measure by:

- (1) Replacing the term "on-set child welfare advocate" with "on-set teacher";
- (2) Specifying that the on-set teacher shall advocate on behalf of the theatrically employed minor; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3044, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3044, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2567 Commerce, Consumer Protection, and Health on S.B. No. 2955

The purpose and intent of this measure is to require:

- (1) Rental motor vehicle lessors with more than two hundred light duty passenger vehicles, to expedite the incorporation of at least fifty percent of zero-emission vehicles into the lessor's fleet by 2030; and
- (2) All rental motor vehicle lessors to report a list of the make, model, license plate number, and fuel type of each rental motor vehicle in the lessor's fleet to the Director of Commerce and Consumer Affairs.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the Department of Transportation and Enterprise Holdings.

Your Committee finds that rental motor vehicles, which represent the largest passenger vehicle fleets in Hawaii, are responsible for a significant amount of carbon emissions. Your Committee further finds that incorporating large numbers of zero-emission vehicles into rental motor vehicle fleets would significantly reduce carbon emissions and increase the number of zero-emission vehicles entering the secondary market, as lessors tend to sell their vehicles after twelve to eighteen months.

Your Committee has heard the concerns regarding the schedule proposed by this measure for when lessors must incorporate zero-emission vehicles as a certain percentage of their fleet. Your Committee understands these concerns but notes that it is important to maintain certain goals for zero-emissions vehicles, as the State remains committed to its goal of clean energy and sustainable transportation. However, your Committee concludes that additional discussion on this measure is warranted.

Accordingly, your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2955, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2955, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 2568 Commerce, Consumer Protection, and Health on S.B. No. 2110

The purpose and intent of this measure is to require automotive parts stores to accept used motor oil for recycling or disposal.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that this measure will promote a sustainable society and engage citizens in recycling efforts. Your Committee finds that allowing retail automotive parts stores to collect a reasonable fee for used oil collection will alleviate the burden placed on these retailers.

Your Committee has amended this measure by replacing references to "used motor oil" with "used oil from motor vehicles" for purposes of clarity, as "used oil" is a term defined in section 342J-51, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2110, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2110, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2569 Ways and Means on S.B. No. 2664

The purpose and intent of this measure is to codify goal three of the United Nation's Sustainable Development Goals, regarding good health and well-being.

Specifically, this measure establishes the following goals to be achieved by the year 2030:

- (1) Reducing maternal mortality, premature mortality, deaths and injuries from road traffic accidents, deaths and illness from pollution, and tobacco use;
- (2) Ending various disease epidemics and preventable deaths of newborns and children under five years of age;
- (3) Strengthening the prevention and treatment of substance abuse;
- (4) Ensuring access to sexual and reproductive health care services;
- (5) Achieving universal health care coverage;
- (6) Increasing health financing; and
- (7) Strengthening the capacity of the counties to provide early warning of health risks.

Your Committee received written comments in support of this measure from the Department of Human Services, the Office of Planning, Hawaii Green Growth, OCC Legislative Priorities, the Oahu Economic Development Board, and one individual.

Your Committee finds that codification of goal three of the United Nation's Sustainable Development Goals will establish a framework for the State to effectively address key challenges faced by Hawaii. This measure also builds on Hawaii's adoption of the Paris Agreement made by Act 32, Session Laws of Hawaii 2017.

Your Committee has amended this measure by making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2664, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2664, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Inouye, Wakai).

SCRep. 2570 Ways and Means on S.B. No. 2761

The purpose and intent of this measure is to amend the definition of the term "dependent-beneficiary" with regard to the Hawaii Employer-Union Health Benefits Trust Fund.

Specifically, this measure:

- (1) Excludes children who are born or adopted more than ten months after the death of certain employees or retired employee-beneficiaries from participating in benefit plans of the Hawaii Employer-Union Health Benefits Trust Fund; and
- (2) Repeals the requirements that a dependent-beneficiary be unmarried and live with the employee-beneficiary.

Your Committee received written comments in support of this measure from the Department of Budget and Finance.

Your Committee finds that under certain circumstances, a surviving spouse of an employee-beneficiary is entitled to benefits under the Hawaii Employer-Union Health Benefits Trust Fund. If that surviving spouse gives birth to or adopts a child more than ten months after the death of the employee-beneficiary or retiree, that child is also eligible for benefits even though the child is not the legally adopted or natural child of the deceased employee-beneficiary or retiree. This measure will help to ensure that benefits are limited to current or former employee-beneficiaries and the spouses and children of the employee-beneficiaries.

Your Committee also finds that repealing the requirements that a dependent-beneficiary be unmarried and live with the employee-beneficiary will help to align Hawaii law with the Affordable Care Act, which does not contain a similar requirement for medical and prescription insurance coverage of children under twenty-six years of age.

Your Committee has amended this measure by:

- (1) Inserting a savings clause; and
- (2) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2761, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2761, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Kahele, Keith-Agaran, Wakai).

SCRep. 2571 Ways and Means on S.B. No. 2766

The purpose and intent of this measure is to clarify that the trust assets of the Employees' Retirement System are to be expended exclusively for the benefit of its members and their beneficiaries.

Specifically, this measure specifies that benefits for a service-connected disability or accidental death be limited to members who are beneficiaries of the trust.

Your Committee received written comments in support of this measure from the Employees' Retirement System.

Your Committee finds in *Stout v. Board of Trustees of the Employees' Retirement System*, 140 Haw. 177, 398 P.3d 766 (2017), the Hawaii Supreme Court held that under certain circumstances, a person who sustains an injury while performing government service for which contributions to the Employees' Retirement System are not required could, nonetheless, qualify for Employees' Retirement System benefits. Your Committee finds that this measure will clarify that claims for benefits related to service-connected disability and accidental death benefits are limited to members who are beneficiaries of the trust.

Your Committee has amended this measure by making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2766, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2766, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Kahele, Keith-Agaran, Wakai).

SCRep. 2572 Ways and Means on S.B. No. 2231

The purpose and intent of this measure is to exempt certain unpaid board or commission members from the additional \$10 per day administrative fine imposed for late financial disclosures to the state ethics commission.

Your Committee received written comments in opposition to this measure from Common Cause Hawaii.

Your Committee received written comments on this measure from the Hawaii State Ethics Commission.

Your Committee finds that many individuals volunteer their time, energy, and expertise to the State's various boards and commissions and that subjecting these volunteers to fines for filing late financial disclosures serves as a deterrent to volunteering to be a member of a board or commission. Further, although not included in the list of public boards and commissions found in section 84-17(d)(8), Hawaii Revised Statutes, your Committee believes that the University of Hawaii Board of Regents and the Board of Education should be treated the same as other public boards and commissions in regards to the \$10 per day fine for late financial disclosures to the ethics commission.

Your Committee has amended this measure by removing a reference to section 84-17(d)(8), Hawaii Revised Statutes, so that the members of the University of Hawaii Board of Regents and the Board of Education will be treated like other public board and commission members.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2231, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2231, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Kahele, Keith-Agaran, Wakai).

SCRep. 2573 Ways and Means on S.B. No. 2126

The purpose and intent of this measure is to provide the Department of Agriculture with the funds necessary to carry out its pesticide program's registration and licensing, certification and education, and compliance monitoring activities.

More specifically, this measure increases the cap on the pesticide use revolving fund from \$250,000 to \$1,000,000.

Your Committee received written comments in support of this measure from the Department of Agriculture, the Hawaii Crop Improvement Association, the Hawaii Farm Bureau, the Hawaii Alliance for Progressive Action, the Hawaii Cattlemen's Council, the Oahu County Committee Legislative Priorities Committee of the Democratic Party of Hawaii, and one private individual.

Your Committee finds that pesticide training, outreach, and education are critical to ensure that pesticides are not misused. Your Committee further finds that increasing the pesticide use revolving fund's cap from \$250,000 to \$1,000,000 would enhance the Department of Agriculture's ability to engage in these activities along with pesticide disposal services and the conduct of related environmental studies.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2126, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2126, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Inouye, Wakai).

SCRep. 2574 Ways and Means on S.B. No. 1208

The purpose and intent of this measure is to promote agricultural economic development by establishing the agribusiness land and facilities special fund to enable the Agribusiness Development Corporation to acquire, operate, and maintain large tracts of former agricultural land.

Prior to decision making on this measure, your Committee made available for public review a proposed S.D. 2 of this measure. The proposed S.D. 2 authorizes the issuance of special purpose revenue bonds to assist Twin Bridge Farms, Inc., to purchase additional lands.

Your Committee received written comments in support of the proposed S.D. 2 from the Department of Agriculture; the Agribusiness Development Corporation; the Hawaii Farm Bureau Federation; Twin Bridge Farms, Inc.; Ulupono Initiative; and one private individual.

Your Committee received written comments on the proposed S.D. 2 from the Department of Budget and Finance.

Although the proposed S.D. 2 was the subject of the public hearing held on February 6, 2018, your Committee also received written comments in support of S.B. 1208, S.D. 1 from one private individual.

Your Committee finds that in 2016, the Governor pledged to double local food production by 2030. Your Committee further finds that in order to achieve this goal, the State needs to support the growth of its local farming and ranching industries. In furtherance of the State's food production goals, your Committee finds it important to assist Twin Bridge Farms, Inc., a local farm known for producing high quality products, in purchasing additional lands to increase the farm's food production. Your Committee further finds that the issuance of special purpose revenue bonds pursuant to this measure is in the public interest and constitutes assistance to agricultural enterprises under part X of Chapter 39A, Hawaii Revised Statutes.

Your Committee has amended S.B. 1208, S.D. 1 by:

- (1) Replacing its contents with contents of the proposed draft of S.B. No. 1208, S.D. 2; and
- (2) Making it effective upon its approval.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1208, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1208, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Riviere, Shimabukuro).

SCRep. 2575 Commerce, Consumer Protection, and Health on S.B. No. 2297

The purpose and intent of this measure is to extend the sunset date of Act 65, Session Laws of Hawaii 2013 (Act 65), which provides a limited exemption to the licensing requirements for certain individuals in situations when an electric utility must retain qualified individuals to work with high voltage (six hundred volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility.

Your Committee received testimony in support of this measure from the Hawaii Emergency Management Agency; Board of Electricians and Plumbers; Chamber of Commerce Hawaii; Hawaiian Electric Company, Inc.; and POWER Contracting LLC. Your Committee received testimony in opposition to this measure from the International Brotherhood of Electrical Workers Local Union 1186.

Your Committee finds that most in-state electrical workers are experienced in low voltage work, which includes wiring buildings at one hundred twenty/two hundred forty volts. However, in the event of a catastrophic occurrence requiring high voltage electrical work, the State must import experienced and qualified workers from the mainland, since there are not enough electricians, splicers, and linemen in the State, who could respond in the event of a catastrophic occurrence or complex maintenance work affecting an electric utility. Your Committee also finds that Act 35, Session Laws of Hawaii 2010, amended the minimum qualifications for licensure of various classes of electricians, effective July 1, 2013. However, one of the unintended consequences of that Act was to prohibit electric utilities from contracting with high voltage electrical workers who are not licensed as electricians in Hawaii.

Your Committee finds that this measure extends the remedy provided by Act 65 by continuing the limited exemption from licensure for five more years. In so doing, this measure continues to provide electric utilities in the State the ability to contract appropriate electricians to perform any necessary high voltage electrical work in the State, especially in the event of natural disasters and other emergencies that impact the availability of electricity.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2297 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2576 Commerce, Consumer Protection, and Health on S.B. No. 2058

The purpose and intent of this measure is to:

- (1) Require review and approval by the Board of Private Detectives and Guards of any insignia to be used by detective agencies, guard agencies, private detectives, or guards; and
- (2) Prohibit detective agencies, guard agencies, private detectives, and guards from self-identifying as law enforcement officers, police, or police officers and from wearing or using any insignia capable of being associated with that of a law enforcement officer employed by a government law enforcement organization.

Your Committee received testimony in opposition to this measure from the Department of Transportation. Your Committee received comments on this measure from the Board of Private Detectives and Guards.

Your Committee finds that private detectives and guards in Hawaii have broad powers, including the powers to detain and search individuals; however, they are not law enforcement officers. Therefore, members of the public should be able to clearly distinguish between these different groups. Your Committee further finds that establishing a clear distinction between private detectives and guards and law enforcement officers is important to maintaining public safety and confidence in law enforcement and reduce potential confusion amongst members of the public. Accordingly, this measure prohibits detective agencies, guard agencies, private detectives, and guards from wearing or using any badge, uniform, form of identification, emblem, equipment, vehicle, or other accoutrement capable of being associated with that of a law enforcement officer employed by a government law enforcement organization. Moreover, to ensure compliance with that prohibition, this measure requires the Board of Private Detectives and Guards to review and approve all such insignia that its licenses or employees of licenses wish to wear or use.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2058 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 2577 Commerce, Consumer Protection, and Health on S.B. No. 2099

The purpose and intent of this measure is to:

- (1) Amend the definition of "autocycle" to better accommodate various models of autocycles available in the autocycle industry; and
- (2) Change the licensing requirement for the operation of autocycles to align with the intent of the legislation that created the "autocycle" category.

Your Committee received testimony in support of this measure from Polaris Industries, Inc.

Your Committee finds that autocycles provide an environmentally friendly and space-saving alternative to larger cars. Your Committee notes that during the establishment of the autocycle category in the Hawaii Highway Safety Act, a reference to a category 2 motorcycle driver's license, rather than a category 3 passenger car driver's license, for operation of an autocycle was mistakenly inserted. This measure is necessary to correct that error and require a category 3 driver's license, which will maximize the accessibility of autocycles, thereby reducing traffic congestion and fossil fuel usage in Hawaii, while still ensuring roadway safety.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2099, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2578 Commerce, Consumer Protection, and Health on S.B. No. 2244

The purpose and intent of this measure is to:

- (1) Require health care providers in the workers' compensation system who are authorized to prescribe opioids to adopt and maintain policies for informed consent to opioid therapy in circumstances that carry elevated risk of dependency; and
- (2) Establish limits for concurrent opioid and benzodiazepine prescriptions in the workers' compensation system.

Your Committee received testimony in support of this measure from the City and County of Honolulu Department of Human Resources, Drug Policy Forum of Hawaii, and Hawaii Substance Abuse Coalition. Your Committee received comments on this measure from the Department of Labor and Industrial Relations, Work Injury Medical Association of Hawaii, and one individual.

Your Committee finds that drug overdose deaths continue to increase in the United States, with the majority of drug overdose deaths involving an opioid. Your Committee finds that the number of opioids sold in the United States quadrupled from 1999 to 2010, but that there was no change in the overall amount of pain reported. Your Committee further finds that a number of states have also taken steps through their workers' compensation systems to stem overprescription of opioids to injured workers. Your Committee observes that existing law contains provisions similar to those enacted by this measure for opioid prescriptions issued outside of the workers' compensation regime. Accordingly, your Committee finds that this measure will similarly reduce unnecessary opioid prescriptions to injured workers and limit opioid overdoses, as well as offer the same protections to patients in the State's workers' compensation system as to those outside of the system.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2244, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2579 (Joint) Education and Ways and Means on S.B. No. 3095

The purpose and intent of this measure is to:

- (1) Require the Department of Agriculture to establish a pilot program for vegetative buffer zones around selected schools within the State; and
- (2) Require and appropriate funds for the Department of Agriculture to develop and implement a pesticide drift monitoring study at three schools selected to participate in the pilot program.

Your Committees received testimony in support of this measure from the Sierra Club of Hawai'i, IMU Alliance, Hawai'i Center for Food Safety, League of Women Voters of Hawaii, Hawaii Nurses Association, Kihei Community Association, Pono Hawai'i Initiative, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawai'i Alliance for Progressive Action, Civic Education Council, and numerous individuals. Your Committees received testimony in opposition to this measure from the University of Hawai'i System; Hawaii Crop Improvement Association; Hawai'i Farm Bureau; Monsanto Hawaii; Hawaii Cattlemen's Council, Inc.; and Maui County Farm Bureau. Your Committees received comments on this measure from the Department of Agriculture, Western Plant Health Association, Americans for Democratic Action Hawai'i, and numerous individuals.

Your Committees find that many residents in the State are very concerned about the long-term health effects and potential negative impacts of pesticide drift, especially as the number of large-scale, outdoor, commercial agricultural operations in the State continues to increase. Children can be exposed to pesticides applied on school grounds, pesticides that drift onto school grounds, or pesticide residues, which put them at risk of developmental delays and other health complications. Because the State does not currently have an adequate regulatory structure in place to monitor human health impacts of pesticide drift near sensitive populations, like children and the elderly, this measure helps to ensure that highly sensitive areas, like schools, are protected from the potential negative effects of long-term pesticide exposure.

As affirmed by the records of votes of the members of your Committees on Education and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3095, S.D. 1, and recommend that it pass Third Reading.

Signed by the Chairs on behalf of the Committees.
Education: Ayes, 3. Noes, none. Excused, 2 (Espero, Kim).
Ways and Means: Ayes, 6. Noes, none. Excused, 5 (English, Galuteria, Keith-Agaran, Shimabukuro, Wakai).

SCRep. 2580 Ways and Means on S.B. No. 2122

The purpose and intent of this measure is to clarify the limitations on the parking fee exemptions enjoyed by operators of electric vehicles.

Specifically, the measure limits the parking fee exemption provided to electric vehicles to a time period of the initial twenty-four hours an electric vehicle is parked in State and county non-metered stalls or in non-metered stalls at state airports.

Your Committee received written comments in support of this measure from the Department of Transportation, OCC Legislative Priorities, and one individual.

Your Committee finds that providing drivers of electric vehicles with the benefit of free parking for the first twenty-four hours at certain public parking spaces and at state airports will be an incentive to use electric vehicles, which, in turn, will reduce the consumption of imported fossil fuel.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2122, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Inouye, Wakai).

SCRep. 2581 Agriculture and Environment on S.C.R. No. 5

The purpose and intent of this measure is to encourage the Department of Agriculture to evaluate and report to the Legislature on the import requirements and process for domestic animals.

Your Committee received testimony in support of this measure from two individuals. Your Committee received testimony in opposition to this measure from the Department of Agriculture.

Your Committee finds that Hawaii's current system for importing domestic animals into the State is outdated and complicated. Under the existing system, dogs, cats, and other carnivores originating from the United States and other non-exempted areas are required, upon arrival in the State, to be confined to a quarantine station for a period of up to one hundred twenty days to prevent the introduction of rabies to the State. Your Committee supports all efforts to keep Hawaii rabies-free and acknowledges the ongoing efforts by the Department of Agriculture to improve the import process and reduce stresses placed on pets and pet owners.

Your Committee has amended this measure by:

- (1) Deleting the word "exploitive";

- (2) Deleting language that suggested possible improvements to the domestic animal importation process; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 5, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 5, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Ruderman).

SCRep. 2582 Agriculture and Environment on S.R. No. 4

The purpose and intent of this measure is to encourage the Department of Agriculture to evaluate and report to the Legislature on the import requirements and process for domestic animals.

Your Committee received testimony in support of this measure from two individuals. Your Committee received testimony in opposition to this measure from the Department of Agriculture.

Your Committee finds that Hawaii's current system for importing domestic animals into the State is outdated and complicated. Under the existing system, dogs, cats, and other carnivores originating from the United States and other non-exempted areas are required, upon arrival in the State, to be confined to a quarantine station for a period of up to one hundred twenty days to prevent the introduction of rabies to the State. Your Committee supports all efforts to keep Hawaii rabies-free and acknowledges the ongoing efforts by the Department of Agriculture to improve the import process and reduce stresses placed on pets and pet owners.

Your Committee has amended this measure by:

- (1) Deleting the word "exploitive";
- (2) Deleting language that suggested possible improvements to the domestic animal importation process; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 4, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 4, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Ruderman).

SCRep. 2583 Commerce, Consumer Protection, and Health on S.B. No. 2059

The purpose and intent of this measure is to:

- (1) Establish procedures for an out-of-state individual licensed as a certified public accountant or certain accountancy firms to be granted practice privileges in Hawaii by the Board of Public Accountancy, if the licensee or firm meets certain qualifications and requirements for substantial equivalency; and
- (2) Make conforming amendments to the laws relating to public accountancy to reflect practice privileges.

Your Committee received testimony in support of this measure from the Hawaii Society of Certified Public Accountants, American Institute of Certified Public Accountants, and one hundred individuals. Your Committee received testimony in opposition to this measure from the Board of Public Accountancy, Hawaii Association of Public Accountants, and seventeen individuals. Your Committee received comments on this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure establishes a mobility law for certified public accountants and certain accountancy firms, which would allow certified public accountants in good standing from substantially equivalent states to practice in Hawaii without the need to obtain an additional license to serve their clients. Your Committee notes that forty-nine states, the District of Columbia, Puerto Rico, United States Virgin Islands, and Guam have already enacted individual certified public accountant mobility laws.

However, your Committee has heard the concerns raised in testimony that this measure would enable out-of-state certified public accountants the right to practice in Hawaii without having to obtain a temporary or regular permit to practice from the Board of Public Accountancy, does not adequately ensure that out-of-state practitioners pay appropriate general excise taxes to the State, and may be confusing to consumers, who may not realize when work that requires a Hawaii license is being performed by an individual from out-of-state exercising a practice privilege within the State. Your Committee understands these concerns and notes that Hawaii does have an existing temporary permit available for out-of-state certified public accountants. Your Committee therefore concludes that it is more appropriate, at this time, to amend existing laws for obtaining a temporary permit to practice, rather than establishing a mobility law that grants practice privileges to out-of-state certified public accountants.

Accordingly, your Committee has amended this measure by deleting its contents and inserting language that amends the temporary permit to practice requirements for the practice of public accountancy, including:

- (1) Clarifying the persons who may be granted a temporary permit to practice, including limiting the temporary permits to practice to United States citizens, United States nationals, or aliens authorized to work in the United States;
- (2) Requiring a person to obtain a temporary permit to practice from the Board of Public Accountancy prior to commencing public accountancy services in Hawaii;

- (3) Specifying that a temporary permit to practice shall be effective for a period not to exceed one hundred twenty cumulative days in any twelve-month period;
- (4) Permitting a temporary permit to practice to be renewed but specifying that more than three requests for temporary permits within three years is prima facie evidence that the individual is engaged in active practice of public accountancy and must obtain a regular permit to practice from the Board of Public Accountancy;
- (5) Specifying certain conditions that a licensee with a temporary permit to practice must consent to and certify, including being under the jurisdiction and disciplinary authority of the Board of Public Accountancy and paying all applicable taxes associated with the practice of public accountancy in Hawaii;
- (6) Making conforming amendments to the laws relating to public accountancy; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2059, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2059, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2584 Commerce, Consumer Protection, and Health on S.B. No. 2926

The purpose and intent of this measure is to require all dental assistants to obtain certification from the Dental Assisting National Board, Inc., as certified dental assistants no later than July 1, 2019, or no later than one hundred twenty days after the date of employment.

Your Committee received testimony in support of this measure from the Hawaii Dental Hygienists' Association, two individuals, and a petition with ninety-seven names. Your Committee received testimony in opposition to this measure from the Board of Dental Examiners and Hawaii Dental Association. Your Committee received comments on this measure from the Dental Assisting National Board, Inc., and one individual.

Your Committee finds that dental assistants are auxiliary personnel who perform supportive dental procedures under the direct supervision, direction, evaluation, and responsibility of a licensed dentist. Your Committee further finds that Hawaii is one of only a handful of states that does not require certification of dental assistants. According to testimony received by your Committee, training for dental assistant duties is generally done on the job by the supervising dentist or another assistant, and may vary from office to office or dentist to dentist.

Your Committee additionally finds that the Dental Assisting National Board, Inc. (Dental Assisting National Board), is a national certification board for dental assistants that currently certifies more than thirty-seven thousand dental assistants nationwide, with a certification program that is accredited by the National Commission for Certifying Agencies. This measure therefore requires all dental assistants in Hawaii to obtain and maintain certification from the Dental Assisting National Board as a Certified Dental Assistant.

Your Committee has heard the concerns that an unknown percentage of dental assistants in Hawaii may be unable to meet the eligibility requirements associated with the Certified Dental Assistant certification program within the timeframe specified in this measure. Your Committee understands these concerns and concludes that amendments to this measure are necessary to adjust the time frame for required certification as a dental assistant, incorporate additional minimum requirements for those dental assistants who are not yet eligible for the Dental Assisting National Board's Certified Dental Assistant program, and ensure that dental assistants with significant experience are not unduly burdened by the new certification requirements.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have required all dental assistants to obtain certification from the Dental Assisting National Board, Inc., as certified dental assistants no later than July 1, 2019, or no later than one hundred twenty days after the date of employment;
- (2) Establishing minimum requirements for all individuals hired as dental assistants in Hawaii on or after July 1, 2018;
- (3) Requiring dental assistants employed on or after July 1, 2018, to successfully complete the Dental Assisting National Board, Inc.'s National Entry Level Dental Assistant certification within three years of first being hired as a dental assistant;
- (4) Requiring dental assistants with four or more years' experience to apply or register for the Dental Assisting National Board, Inc.'s Certified Dental Assistant certification;
- (5) Exempting dental assistants with more than ten years' experience from having to obtain a Certified Dental Assistant certification, but requiring these dental assistants to hold a cardiopulmonary resuscitation certification and pass the Dental Assisting National Board, Inc.'s Infection Control examination within two years of the approval date of this measure;
- (6) Requiring the Board of Dental Examiners to be responsible for ensuring compliance and assist licensed dentists and their employees with the requirements for dental assistants;
- (7) Requiring dentists who employ dental assistants to report the names and certifications of their dental assistant employees to the Board of Dental Examiners;
- (8) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2926, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2926, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2585 Commerce, Consumer Protection, and Health on S.B. No. 2612

The purpose and intent of this measure is to waive fees and other requirements for applicants for a class 10 liquor license.

Your Committee received testimony in support of this measure from the Office of the Mayor, County of Maui; Club Managers Association of Hawaii, Paradise of the Pacific Chapter; Merchant Horovitz, LLC; Maui Country Club; The Pacific Club; and nine individuals. Your Committee received comments on this measure from the Liquor Commission of the City and County of Honolulu.

Your Committee finds that some nonprofit organizations have faced an extremely onerous process when attempting to obtain a special liquor license for a fundraising event. Your Committee further finds that applying the same liquor license procedures that are required of a commercial business to nonprofit organizations is unduly burdensome in time and money to the nonprofit organizations, many of whom operate on small budgets.

Accordingly, this measure waives fees and other requirements for applicants for a class 10 special liquor license required for fundraising events, which will streamline the special license process and reduce the burden on nonprofit organizations.

Your Committee has amended this measure by:

- (1) Clarifying that the class 10 special liquor license authorizes a social club granted tax exempt status pursuant to section 501(c)(7) of the Internal Revenue Code to sell wine from the social club's inventory to the club's members for off-premises consumption; and
- (2) Specifying that the class 10 special liquor license includes the ability to auction off, at a live or silent auction, liquor in sealed or covered containers or services that provide liquor.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2612, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2612, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2586 Commerce, Consumer Protection, and Health on S.B. No. 738

The purpose and intent of this measure is to require specified health care practitioners to disclose to patients the practitioner's name, license, highest level of academic degree, and board certification, where applicable.

Prior to a hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which deletes the contents of this measure and inserts language to expand the pool of orthodontists who are eligible to perform medically necessary orthodontic services for treatment of certain orofacial anomalies for which health insurance coverage is mandatory.

Your Committee received testimony in support of the proposed S.D. 1 from Lifetime of Smiles Hawaii and eleven individuals. Your Committee received comments on the proposed S.D. 1 from the Department of Health, Hawai'i Pacific Health, Hawaii Medical Service Association, and Hawaii Dental Association.

Your Committee finds that existing law requires health insurance coverage of medically necessary orthodontic services for the treatment of certain orofacial anomalies, but requires these orthodontic services to be provided by a licensed dentist with a certification in orthodontics by the American Board of Orthodontics. Your Committee notes that a certification by the American Board of Orthodontics is voluntary and not required to practice orthodontics in the State.

Your Committee further finds that the American Board of Orthodontics certification requirement has limited the number of orthodontists in Hawaii who can perform medically necessary orthodontic treatments for individuals with orofacial anomalies. According to testimony received by your Committee, of the approximately forty orthodontists in Hawaii, only eleven are certified by the American Board of Orthodontics; of these, only a few have performed medically necessary orthodontic services for treatment of orofacial anomalies. Accordingly, the proposed S.D. 1 removes this barrier to access care and expands the pool of orthodontists who are eligible to perform orthodontic services for treatment of orofacial anomalies covered by health insurance.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Clarifying that the term "orthodontic services" means direct or consultative services provided by a licensed dentist who has completed an orthodontic residency program accredited by the Commission on Dental Accreditation; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 738, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 738, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Tokuda).

SCRep. 2587 (Joint) Commerce, Consumer Protection, and Health and Judiciary on S.B. No. 2549

The purpose and intent of this measure is to:

- (1) Require the liquor commissions to streamline procedures to provide for the issuance of temporary licenses for the sale of liquor for a period not to exceed one day for fundraising events by nonprofit organizations; and
- (2) Remove, from the list of factors a liquor commission may consider when deciding on a previously denied, refused, or withdrawn liquor license application, language that allows any other considerations deemed by the liquor commission to affect the application, issuance, or exercise of a liquor license.

Your Committees received testimony in support of this measure from the Office of the Mayor, Maui County; Maui County Councilmember Yuki Lei Sugimura; Merchant Horovitz, LLLC; and one individual. Your Committees received comments on this measure from the Liquor Commission of the City and County of Honolulu.

Your Committees find that some nonprofit organizations have faced an extremely onerous process when attempting to obtain a one-day special liquor license for a fundraising event. Your Committees further find that applying the same liquor license procedures that are required of a commercial business to nonprofit organizations is unduly burdensome in time and money to the nonprofit organizations, many of whom operate on small budgets.

Accordingly, this measure provides for reduced submission requirements for the issuance of temporary liquor licenses for fundraising events by nonprofit organizations, which will streamline the temporary license process and reduce the burden on nonprofit organizations. This measure also removes, from the list of factors the liquor commission may consider when deciding on a previously denied, refused, or withdrawn liquor license application, language that allows any other considerations deemed by the liquor commission to affect the application, issuance, or exercise of a liquor license.

Your Committees have amended this measure by:

- (1) Authorizing a nonprofit organization that has been issued a temporary liquor license for a fundraising event the ability to auction off, at a live or silent auction, liquor in sealed or covered containers or services that provide liquor; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2549, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2549, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

Judiciary: Ayes, 3; Ayes with Reservations (Rhoads). Noes, none. Excused, 2 (Gabbard, Kim).

SCRep. 2588 Commerce, Consumer Protection, and Health on S.B. No. 36

The purpose and intent of this measure is to:

- (1) Require the Department of Commerce and Consumer Affairs to regulate all channel designations and relocation of public, educational, and governmental access channels; and
- (2) Allow cable operators to relocate or change the designation of public, educational, and governmental access channels only under certain conditions.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs; Office of the Mayor, County of Maui; Councilmember Derek S.K. Kawakami, Kaaui County Council; Joann A. Yukimura, Kaaui County Council; 'Ōlelo Community Media; PlayBuilders of Hawai'i Theater Company; Nā Leo TV; ALEA Bridge; PARENTS, Inc.; Hawaiian Music Hall of Fame; Waipahu Community Coalition; Akakū Maui Community Media; Hawai'i Association of Independent Schools; Hawai'i Justice Coalition; Nā Kama Kai; and twenty-seven individuals. Your Committee received testimony in opposition to this measure from Charter Communications.

Your Committee finds that public, educational, and governmental (PEG) access programming has numerous important public benefits. PEG access programming promotes civic participation through local government cable casts, including broadcasting legislative hearings and sessions, county council meetings, and neighborhood board meetings, which allows viewers to remain informed of issues affecting communities throughout the State; connects Hawaii's unique communities via discussion and coverage of cultural matters and events; and serves a vital consumer protection function as a tool to alert the public during natural disasters and emergencies. Your Committee further finds that many of the State's PEG access channels have retained the same channel location for decades, are well-known to viewers, and have been branded by local community producers for their programs.

Unfortunately, one of the State's cable operators has recently decided to relocate the State's PEG access channels from their current high traffic locations to new, essentially vacant channel slots. Your Committee has heard the significant concerns voiced in testimony that this move will effectively make local, public, non-commercial community television channels hard to watch and hard to find. According to testimony received by your Committee, research has shown that when channels are relocated in this manner, in the absence of a well-funded, comprehensive rebranding campaign, a significant portion of the viewing audience is lost forever. Your Committee is therefore concerned that the forced relocation of the State's PEG access channels defeats the underlying purpose for which these non-commercial access channels were originally established -- to ensure access to cable television studios for people who would not otherwise have a voice and encourage civil engagement in local communities.

This measure therefore requires the Department of Commerce and Consumer Affairs (Department) to regulate all channel designations and relocation of PEG access channels and permits cable operators to relocate PEG access channels only if certain

conditions are met. However, your Committee has heard the concerns raised in testimony by the Department that because federal laws bestow limited power to local franchising authorities (i.e., the Department on behalf of the State) regarding the regulation of cable services, conflicts of law may arise and pose enforceability issues for the Department. Your Committee understands these concerns and concludes that an amendment to this measure is necessary.

Accordingly, your Committee has amended this measure by clarifying that, unless expressly prohibited by federal law, the Department of Commerce and Consumer Affairs shall regulate all channel designations and relocation of public, educational, and governmental access channels.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 36, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 36, S.D. 2, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2589 Judiciary on S.B. No. 2742

The purpose and intent of this measure is to resolve inconsistencies in the processing of expungements and public dissemination of criminal history record information related to cases in which the defendant is acquitted or charges are dismissed by reason of physical or mental disease, disorder, or defect or the defendant is involuntarily hospitalized.

Your Committee received testimony in support of this measure from the Department of the Attorney General.

Your Committee finds that the Hawaii Criminal Justice Data Center is responsible for the collection, storage, and dissemination of criminal history record information in such a manner as to balance the right of the public and press to be informed, the right to privacy of individuals, and the responsibility of law enforcement agencies to prevent crimes and detect and apprehend criminals. This measure will resolve inconsistencies in existing law governing the retention and dissemination of criminal history record information in cases in which a person has been acquitted or charges have been dismissed by reason of physical or mental disease, disorder, or defect, or when the person has been involuntarily hospitalized.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2742, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2742, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2590 Judiciary on S.B. No. 2992

The purpose and intent of this measure is to clarify that the definition of “advertisement” as it relates to campaign finance law does not include signs, banners, bumper stickers, and other sundry items.

Your Committee received testimony in opposition to this measure from the Campaign Spending Commission.

Your Committee finds that signs and banners are a common component of political campaigns, including organized advertising by candidates, committees, or grassroot political activities. Due to the size and manner of construction of some signs and banners, especially for those signs and banners that are handmade, it creates a potentially untenable situation when considering the disclosures required under campaign finance law. Your Committee further finds that the blanket removal of signs and banners from the definition of “advertising” may lead candidate and noncandidate committees to believe that expenditures for campaign signs and banners need not be reported on the Campaign Spending Commission’s electronic filing system, which could reduce transparency in campaign financing.

Your Committee has amended this measure by:

- (1) Removing language amending the definition of “advertisement” as it relates to campaign finance law; and
- (2) Adding language exempting signs and banners from the requirement that campaign advertisements contain the name and address of the candidate, candidate committee, noncandidate committee, or other person paying for the sign or banner and notice of whether or not the sign or banner has the approval of the candidate; provided that signs and banners advocating passage or defeat of an issue or question on the ballot are required to contain the name and address of the candidate, candidate committee, or noncandidate committee paying for the sign or banner.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2992, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2992, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2591 Judiciary on S.B. No. 2719

The purpose and intent of this measure is to extend the period of time for a person to bring a civil cause of action seeking damages for an injury or condition arising from alleged sexual abuse when the person was a minor.

Your Committee received testimony in support of this measure from the Sex Abuse Treatment Center, Save Medicaid Hawaii, Hawaii State Coalition Against Domestic Violence, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Filipina Advocacy Network, Planned Parenthood Votes Northwest and Hawaii, Domestic Violence Action Center, and six individuals. Your Committee received testimony in opposition to this measure from the Department of the Attorney General.

Your Committee finds that child sexual abuse is a serious and ongoing threat to the safety, health, and wellbeing of children and young people. Survivors of child sexual abuse frequently suffer profound consequences throughout adulthood, and many do not disclose their abuse until later in life. Children who are the targets of sexual abuse can blame themselves or be prevented from reporting the abuse due to intense feelings of fear, disbelief, anger, helplessness, betrayal, and anxiety; incapacity to understand what happened or express their complaint due to their stage of cognitive development; or be afraid of retaliation or the potential negative impact on their family if the abuser was a family member or an individual in a position of influence or power.

Your Committee further finds that some studies have estimated that between sixty percent and eighty percent of child sexual abuse survivors withhold disclosure, and that the average delay in disclosure is approximately twenty years after the abuse occurred. Extending the period of time for a person to bring a civil cause of action seeking damages for an injury or condition arising from alleged sexual abuse when the person was a minor will ensure that more survivors of child sexual abuse are afforded a realistic and fair opportunity to seek justice.

Your Committee has amended this measure by:

- (1) Removing the savings clause;
- (2) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2719, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2719, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Gabbard, Kim).

SCRep. 2592 Transportation and Energy on S.B. No. 2849

The purpose and intent of this measure is to classify certain former military vehicles as special interest vehicles and enable owners of former military vehicles to apply for registration.

Your Committee received testimony in support of this measure from Hawaiian Surfing Adventures and two individuals. Your Committee received testimony in opposition to this measure from the Department of Transportation.

Your Committee finds that former military vehicles have been registered and driven on roadways in the past, and only recently have counties not allowed for re-registration. Your Committee also finds that residents use former military vehicles to safely transport large groups of people and their belongings over rough terrain that requires a vehicle with four-wheel drive. Your Committee notes that several states permit the titling and registration of former military vehicles, and that certain former military vehicles must satisfy military standard equipment requirements, which are equivalent to Federal Motor Vehicle Safety Standards.

With that being said, your Committee notes the concerns raised by the Department of Transportation that pertain to road degradation due to the weight of the former military vehicles.

Your Committee has amended this measure by clarifying that former military vehicles are prohibited from transporting persons or property when the former military vehicle is hired for that purpose.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2849, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2849, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 2593 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2306

The purpose and intent of this measure is to prohibit property insurers from refusing to issue, refusing to renew, or canceling a homeowners insurance policy based in whole upon an insured's or prospective insured's obtaining or maintaining liability insurance coverage as a condition of licensure, temporary permission, or registration with the Department of Human Services to operate a child care facility.

Your Committees received testimony in support of this measure from PATCH, Hawaii Children's Action Network, and four individuals. Your Committees received testimony in opposition to this measure from State Farm Mutual Automobile Insurance Company and Hawaii Insurers Council. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that Act 161, Session Laws of Hawaii 2017 (Act 161), requires all child care providers subject to regulation by the Department of Human Services to obtain and maintain liability insurance as a condition of licensure, temporary permission, or

registration. Your Committees further find that feedback from child care providers has indicated that some homeowners insurers have not been renewing existing homeowners insurance policies if child care is being provided on the premises. According to testimony from PATCH, child care providers who have attempted to maintain professional liability insurance for their home-based childcare business, while also maintaining homeowners insurance with the same company, have been experiencing difficulties renewing their homeowners insurance policies, as they were told the liability and homeowners policies were considered dual coverage.

Furthermore, according to the Department of Human Services, some child care providers have indicated to the Department that they were considering no longer registering with the Department or providing child care, as a result of Act 161's insurance requirements. The Department noted in testimony before your Committees that there was a twelve percent decrease in the number of homes that were regulated by the Department between December 2016 and December 2017. This measure therefore prevents the insurer of a homeowner from refusing to issue, refusing to renew, or canceling the homeowner's insurance policy based on a provider obtaining or maintaining liability insurance coverage for their child care business.

However, your Committees have heard the concerns that this measure fails to distinguish between the different types of child care facilities regulated by the Department of Human Services. Your Committees note that the Department's regulation of child care facilities encompasses family child care homes, which provide care for three to no more than six children, as well as facilities for larger groups of children, including group child care homes and group child care centers. Your Committees have also heard the concerns that although this measure enables a liability insurer to cancel a policy based on a failure to meet certain underwriting standards, this measure requires a homeowners insurer to accept a policy, without regard to any underwriting standards that the homeowners insurer might typically require. Your Committees understand these concerns and conclude that amendments to this measure are necessary.

Accordingly, your Committees have amended this measure by:

- (1) Clarifying that an insurer shall not cancel or refuse to renew a homeowners insurance policy based solely upon an insured's requirement to obtain liability insurance coverage as a condition of licensure, temporary permission, or registration with the Department of Human Services to operate a family child care home, rather than a child care facility;
- (2) Specifying that an insurer is not otherwise prohibited from cancelling or refusing to renew a homeowners insurance policy for other reasons;
- (3) Inserting a definition of family child care home;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2306, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2306, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 7. Noes, none. Excused, none.

Human Services: Ayes, 4. Noes, none. Excused, 1 (Harimoto).

SCRep. 2594 (Joint) Higher Education and Ways and Means on S.B. No. 2865

The purpose and intent of this measure is to transfer administrative authority, personnel, and facilities for the University of Hawai'i Institute for Astronomy currently located at the University of Hawai'i at Manoa to the University of Hawai'i at Hilo.

Your Committees received testimony in support of this measure from the Hawaii Leeward Planning Conference and ten individuals. Your Committees received testimony in opposition to this measure from the University of Hawai'i System, University of Hawai'i Professional Assembly, and four individuals.

Your Committees find that the University of Hawai'i Institute for Astronomy has facilities on Mauna Kea and Haleakala and in Manoa Valley. Although the majority of the Institute's approximately two hundred employees are located at the University of Hawai'i at Manoa on Oahu, the majority of the Institute's facilities and equipment are located on Mauna Kea on Hawai'i Island, the most productive astronomy site in the world. Since the University of Hawai'i is one of the most significant economic drivers in the State and is the State's leading engine for economic growth and diversification, transferring administrative authority, personnel, and all facilities for the Institute for Astronomy currently located at the University of Hawai'i at Manoa to the University of Hawai'i at Hilo will support and grow industries in Hawai'i County.

Your Committees have amended this measure by:

- (1) Specifying that this measure shall be known and may be cited as the "Paul H.I. Coleman Act";
- (2) Renaming the University of Hawaii Institute for Astronomy as the "Paul H.I. Coleman Astronomy Center";
- (3) Inserting an effective date of July 1, 2020; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2865, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2865, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Higher Education: Ayes, 4; Ayes with Reservations (Kim). Noes, none. Excused, 1 (Kidani).

Ways and Means: Ayes, 9; Ayes with Reservations (Harimoto, Riviere). Noes, none. Excused, 2 (English, Kidani).

SCRep. 2595 (Joint) Transportation and Energy and Ways and Means on S.B. No. 1011

The purpose and intent of this measure is to:

- (1) Increase the state motor vehicle registration fee; and
- (2) Make an appropriation for the operations and maintenance of the state highway program.

Your Committees received testimony in support of this measure from the Department of Transportation. Your Committees received testimony in opposition to this measure from Ho‘omanapono Political Action Committee; Ho‘omana Pono, LLC; and one individual. Your Committees received comments on this measure from the Tax Foundation of Hawaii.

Your Committees find that the state motor vehicle registration fee is a major revenue source for the state highway fund, and that the state fuel tax is critical to the support and continued operations and maintenance of the state highway system. However, your Committees find that electric motor vehicles and hybrid motor vehicles have historically paid less than their fair share via the state fuel tax. Your Committees received testimony from the Department of Transportation recommending an increased annual registration fee for electric motor vehicles and hybrid motor vehicles to compensate for the minimal revenue generated from the fuel tax by these vehicles. The Department of Transportation noted that there are over seven thousand electric motor vehicles and hybrid motor vehicles in the State.

Your Committees have amended this measure by:

- (1) Establishing an additional annual motor vehicle registration fee of \$70 for electric motor vehicles and \$35 for hybrid motor vehicles;
- (2) Keeping the annual registration fee at \$45, instead of increasing the fee to \$75;
- (3) Making this measure effective upon its approval; provided that the appropriation out of the state highway fund shall take effect on July 1, 2018;
- (4) Adding a purpose section to explain the reasoning for the amount of the additional annual motor vehicle registration fee for electric motor vehicles and hybrid motor vehicles; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1011, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1011, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 1 (Shimabukuro).

Ways and Means: Ayes, 7. Noes, none. Excused, 4 (Kaele, Kidani, Shimabukuro, Wakai).

SCRep. 2596 Commerce, Consumer Protection, and Health on S.B. No. 2645

The purpose and intent of this measure is to require, for any proposed action involving construction for which an environmental impact statement has been accepted by an agency but for which construction has not commenced within ten years of the acceptance of the statement, the developer of the construction project to exercise due diligence and hold community discussion and feedback sessions to share relevant and new information surrounding the project.

Your Committee received testimony in opposition to this measure from the General Contractors Association of Hawaii, Building Industry Association of Hawaii, and Land Use Research Foundation of Hawaii. Your Committee received comments on this measure from the Department of Agriculture and Department of Transportation.

Your Committee finds that in 2010, the Hawaii Supreme Court ruled against the assumption that an environmental impact statement remains indefinitely valid once completed and approved. Your Committee also finds that many large-scale projects that require an environmental impact statement take years longer than originally planned. Your Committee further finds that existing administrative rules require a supplemental environmental impact statement when a project with an approved environmental impact statement has changed substantively, including in terms of timing, but supplemental environmental impact statements can create uncertainty and extra costs for construction projects that are already delayed and over budget. Your Committee finds that establishing an explicit time frame of validity for an environmental impact statement, in combination with mandatory community involvement during periods of construction delay, will prevent this additional cost and uncertainty by ensuring that an environmental impact statement will not go stale, without triggering a costly supplemental environmental impact statement in every situation.

Your Committee has heard the concerns of the General Contractors Association of Hawaii, Building Industry Association of Hawaii, and Land Use Research Foundation of Hawaii that this measure may stifle investment in construction projects in the State, and may be premature as the Department of Health’s Environmental Council is still engaged in revising the Environmental Impact Statement administrative rules. Your Committee finds that further discussion of these matters is necessary as this measure proceeds through the legislative process.

Your Committee has also heard the concerns of the Department of Agriculture that the Department is reliant on state funding for completion of its capital improvement projects. Your Committee finds that state funding can be delayed, and that capital improvement projects are frequently complex, taking years for construction to begin even after the environmental impact statement is completed.

Accordingly, your Committee has amended this measure by exempting any capital improvement projects undertaken by the Department of Agriculture on state-owned agricultural lands and irrigation water systems from the requirements of this measure.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2645, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2645, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2597 Commerce, Consumer Protection, and Health on S.B. No. 2498

The purpose and intent of this measure is to protect the State's economy and environment by prohibiting the sale of polystyrene foam containers and serving of prepared food using polystyrene foam containers statewide.

Your Committee received testimony in support of this measure from the University of Hawaii at Manoa, Hawaii County District 4 Council Member Eileen O'Hara, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Sierra Club of Hawaii, Hawaii Wildlife Fund, Sustainable Coastlines Hawaii, Surfrider Foundation, Surfrider Foundation Oahu Chapter, Young Progressives Demanding Action, 808 Cleanups, Beach Environmental Awareness Campaign Hawaii, One Ocean Conservation, Blue Sphere Foundation, Malama Pupukea-Waimea, Impact Hub Honolulu, PangeaSeed Foundation, Keiko Conservation, Wipeout Crew, Environmental Caucus of the Democratic Party of Hawaii, Free Access Coalition, Buzz's Original Steak House, Kona Honu Divers, Vegan Hills, Kona Brewing Company, Jack's Diving Locker, Big Island Divers, Skyline Eco-Adventures, Friends of Hanauma Bay, Animal Rights Hawaii, The Plastics Project, and four hundred one individuals. Your Committee received testimony in opposition to this measure from the American Chemistry Council; Hawaii Restaurant Association; Hawaii Food Industry Association; Chamber of Commerce Hawaii; KYD, Inc.; and one individual. Your Committee received comments on this measure from two individuals.

Your Committee finds that products made from polystyrene foam are a common kind of litter in Hawaii. Your Committee finds that polystyrene does not biodegrade, but instead persists in the environment, where it can leach toxins into the water and be ingested by marine animals and birds.

Your Committee notes that the Counties of Maui and Hawaii have enacted similar bans on polystyrene, with the County of Maui's ban scheduled to be effective beginning on January 1, 2019, and the County of Hawaii's ban scheduled to go into effect on July 1, 2019. Your Committee finds that a delayed effective date of July 1, 2019, for this measure will allow existing vendors to use their existing polystyrene products and transition to alternatives in an economical manner.

Your Committee has heard the concerns of the American Chemistry Council and Hawaii Restaurant Association that consumer education may be a more effective litter-control measure than a prohibition on polystyrene. Your Committee finds that the Department of Health is the appropriate body to institute a requirement on restaurants to educate their customers with respect to proper disposal of nonreusable food containers, including polystyrene.

Your Committee has amended this measure by:

- (1) Adding language to the findings section favoring education programs regarding proper disposal of nonreusable food containers and litter reduction;
- (2) Clarifying that the defined term "vendor" means any person, firm, or corporation engaged in selling or offering for sale any prepared food containers;
- (3) Authorizing the rules adopted by the Department of Health to include a requirement for food vendors to educate their customers regarding proper disposal of nonreusable food containers and litter reduction;
- (4) Inserting an effective date of July 1, 2019; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2498, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2498, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 2598 Commerce, Consumer Protection, and Health on S.B. No. 208

The purpose and intent of this measure is to:

- (1) Adopt the National Conference of Insurance Legislators' Model Unclaimed Life Insurance Benefits Act, which requires life insurers to conduct database searches using the federal Social Security Administration's Death Master File or similar database to determine whether an insured has died;
- (2) Require life insurers to use good faith efforts to locate any beneficiaries to a policy, contract, or retained asset account; and
- (3) Authorize the Insurance Commissioner to use discretion to limit, exempt, or phase-in compliance with the requirements under certain circumstances.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, American Council of Life Insurers, and one individual.

Your Committee finds that in 2013, Consumer Reports found an estimated \$1,000,000,000 in life insurance benefits remained unclaimed. According to testimony from the Department of Commerce and Consumer Affairs, the Department's Insurance Division alone receives approximately forty requests each year for assistance in finding a possible life insurance policy.

Your Committee further finds that this measure adopts the National Conference of Insurance Legislators' Model Unclaimed Life Insurance Benefits Act, which provides a foundation for insurers to use the Social Security Administration Death Master File to obtain notice of death of an insured in the absence of a claim and search for beneficiaries within ninety days. This measure, in conjunction with the current national life insurance policy locator service developed by the National Association of Insurance Commissioners and used by the Insurance Division, will simplify and streamline the process for Hawaii consumers and insurers to match beneficiaries and life insurance policies and annuities.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 1, 2019; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 208, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 208, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Tokuda).

SCRep. 2599 Commerce, Consumer Protection, and Health on S.B. No. 815

The purpose and intent of this measure is to require disclosure of albizia trees in a disclosure statement as part of the sale or transfer of residential real property.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Councilmember Eileen O'Hara, Hawai'i County Council; Oahu County Committee, Legislative Priorities Committee of the Democratic Party of Hawai'i; Animal Rights Hawai'i; and one individual. Your Committee received comments on this measure from the Hawai'i Association of REALTORS.

Your Committee finds that albizia trees pose a substantial threat to infrastructure and individuals due to the potential hazard of falling tree limbs and debris. Due to their extreme height, albizia trees also pose a threat to the properties on which these trees are rooted and to adjacent properties where branches and other debris may fall during high wind events. Accordingly, this measure provides buyers with additional material facts relating to a residential real property for sale by requiring the disclosure of the presence of albizia trees.

However, your Committee has heard the concerns raised by the Department of Land and Natural Resources regarding the real property disclosure required by this measure of any trees visible from a property, as the visual line of sight to an albizia tree is not indicative of whether or not that tree is a hazard. The Department testified that an objective standard for the definition of a hazard albizia tree may be more appropriate, and noted that one such definition has been adopted by the Hawaii Invasive Species Council in its "Strategic Plan for the Control and Management of Albizia in Hawaii." Your Committee agrees with these concerns and concludes amendments to this measure are necessary.

Your Committee has amended this measure by:

- (1) Clarifying that the disclosure statement shall include the presence of any hazard albizia trees on neighboring properties, rather than the presence of any albizia trees clearly visible from anywhere on the seller's property; and
- (2) Inserting a definition of "hazard albizia tree".

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 815, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 815, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 2600 Commerce, Consumer Protection, and Health on S.B. No. 2567

The purpose and intent of this measure is to improve the State's ability to control and reduce water pollution from cesspools by requiring property owners to upgrade cesspools by connecting to a sewer system or installing an individual wastewater system that complies with Department of Health rules, within one hundred eighty days after the sale of the property.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii County Councilmember Eileen O'Hara, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Surfrider Foundation Oahu Chapter, Surfrider Foundation, Energy and Climate Change Environmental Caucus of the Democratic Party of Hawaii, and twenty-two individuals. Your Committee received testimony in opposition to this measure from the Hawaii Association of REALTORS and one individual.

Your Committee finds that public health and the quality of Hawaii's drinking water, streams, ground waters, and ocean are being harmed by water pollution from cesspools. Hawaii has eighty-eight thousand cesspools that deposit approximately fifty-three million gallons of raw sewage directly into the groundwater every day.

Your Committee also finds that upgrading cesspools can be expensive for homeowners, with an average cost of \$20,000. However, when a property with a cesspool is sold, property sellers typically have sales proceeds that may be used to pay for upgrading the cesspool. Sellers should disclose the presence of a cesspool as a material fact, and buyers and sellers can negotiate the payment of the upgrade costs as part of the sale.

Your Committee has heard the concerns of the Hawaii Association of REALTORS that this measure will not appreciably reduce the number of cesspools and will instead place needless barriers on home sales. However, your Committee finds that other states, including Rhode Island and New Jersey, have adopted similar measures which have proven effective in phasing out cesspools. Your Committee further finds that progress in upgrading cesspools under existing law, including section 235-16.5, Hawaii Revised Statutes, which offers a tax credit to assist with upgrade costs, has been slow, and further measures are needed to expedite and facilitate the upgrading of cesspools. Your Committee finds that additional discussion on this measure is warranted, including to determine the length of the compliance period.

Your Committee also finds that sellers of residential real property are already under a duty to disclose material facts to buyers, and that the presence of a cesspool should uniformly constitute a material fact in all cases to ensure compliance with the proposed requirements of this measure. Your Committee also finds that realtors are best suited to provide education to buyers and sellers of residential real property as to the new requirements that would be imposed by this measure, and that such education is desirable to limit the depression of real estate sales that might otherwise result from confusion about the effect of this measure.

Your Committee has amended this measure by:

- (1) Amending the definition of “material fact” at section 508D-1, Hawaii Revised Statutes, to include the presence of a cesspool on a property for purposes of disclosure during the sale of that property;
- (2) Requiring realtors to inform their clients of their clients’ rights and responsibilities;
- (3) Inserting a blank number of days after the sale of the residential real estate by which the upgrade of the cesspool must be accomplished;
- (4) Inserting an effective date of December 31, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2567, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2567, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 2601 Commerce, Consumer Protection, and Health on S.B. No. 2571

The purpose and intent of this measure is to preserve marine ecosystems, including coral reefs, by prohibiting the sale, offer for sale, and distribution in Hawaii of sun protection factor sunscreen protection personal care products containing oxybenzone and octinoxate without a medically licensed prescription.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, City Council of the City and County of Honolulu District 4 member Trevor Ozawa, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i, Hawaii County Council District 4 member Eileen O’Hara, The Humane Society of the United States, Kona-Kohala Chamber of Commerce, Ban Toxic Sunscreens Hawaii, League of Women Voters of Hawaii, Surfrider Foundation Oahu Chapter, Oxybenzone-Free Hawaii Island, For the Fishes, Sierra Club of Hawaii, High Crown, Littlehandshawaii, Kona Chapter Hawaii Farmers Union United, Hawaii Fishing and Boating Association, and forty-three individuals. Your Committee received testimony in opposition to this measure from the Hawaii Food Industry Association, Consumer Healthcare Products Association, Personal Care Products Council, American Chemistry Council, and American Academy of Dermatology. Your Committee received comments on this measure from the Department of Health, Department of Land and Natural Resources, and one individual.

Your Committee finds that two chemicals present in many sunscreens, oxybenzone and octinoxate, have significant harmful impacts on Hawaii’s marine environment and ecosystems, including coral reefs that protect Hawaii’s shoreline. Your Committee finds that these chemicals can increase mortality in coral and endocrine disruption in marine vertebrates and invertebrates. Your Committee further finds that levels of oxybenzone and octinoxate are refreshed every day by swimmers and beachgoers, preventing dissipation of the pollutants. Accordingly, your Committee finds that a ban on oxybenzone and octinoxate will protect Hawaii’s wildlife, coral reefs, and ecosystems.

Your Committee has heard concerns from the Consumer Healthcare Products Association, Personal Care Products Council, American Chemistry Council, and American Academy of Dermatology that a ban on oxybenzone and octinoxate will lead to an increase in human ultraviolet light exposure and skin cancer. Your Committee also finds that alternative forms of sun protection exist, mitigating this harm. However, your Committee also finds that the death rate from melanoma is thirty percent higher in Hawaii than the national average and that effective sun protection can reduce the rate of melanoma and other skin cancers. Your Committee finds that these considerations are valid and wishes to advance this measure for purposes of further discussion.

Your Committee has amended this measure by:

- (1) Replacing the phrase “medically licensed prescription” with the phrase “prescription issued by a licensed healthcare provider” and defining the term “prescription” for purposes of this measure;
- (2) Inserting an effective date of January 1, 2063, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2571, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2571, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2602 Commerce, Consumer Protection, and Health on S.B. No. 2644

The purpose and intent of this measure is to:

- (1) Require a provider of broadband internet access services to be transparent with network management practices, performance, and commercial terms of its broadband internet access services; and
- (2) Prohibit a provider of broadband internet access services from blocking lawful websites, impairing or degrading lawful internet traffic, engaging in paid prioritization, or unreasonably interfering with or disadvantaging users of broadband internet access services.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Education; and two individuals. Your Committee received testimony in opposition to this measure from CTIA and Charter Communications. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that the recent actions of the federal government to repeal net neutrality has caused distress and concern about the freedom from undue influence or interference in legal content from the Internet. Your Committee further finds that it is important to preserve the principles of net neutrality and provide an environment that supports open and free access to the Internet.

Your Committee notes the concerns raised by the Department of the Attorney General, that certain language in this measure is inconsistent with a recent declaratory order (Order) issued by the Federal Communications Commission, and thus may be subject to a preemption challenge. However, according to the Department of the Attorney General, because this area of law is developing rapidly, future developments may affect the risk of a legal challenge to this measure. The Department of the Attorney General noted that the Order will not take effect until publication in the Federal Register. Furthermore, the Order is subject to judicial review and has been challenged in court; Hawaii is one of twenty-one states that have filed a petition for review of the Order in the United States Court of Appeals for the District of Columbia Circuit. Your Committee appreciates these concerns and acknowledges that although the federal courts could ultimately overturn the Order, there are no guarantees in litigation.

Nevertheless, your Committee concludes that the State has a duty to do its part to protect equal access to independent content on the Internet. Your Committee wishes to emphasize its strong support for net neutrality and communicate this support to any broadband internet service provider who chooses to do business in this State.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2644, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2644, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2603 Commerce, Consumer Protection, and Health on S.B. No. 2183

The purpose and intent of this measure is to:

- (1) Specify requirements for fireworks shippers;
- (2) Authorize the use, by permit, of fireworks for film and movie productions;
- (3) Authorize the testing, disposal, and destruction of illegal and unwanted fireworks by an authority having jurisdiction, which shall be an agency responsible for enforcing the Fireworks Control Law; and
- (4) Correct labeling dimensions with regard to display fireworks.

Your Committee received testimony in support of this measure from the Hawaii State Fire Council; Honolulu Fire Department; County of Maui, Department of Fire and Public Safety; and American Promotional Events, Inc.

Your Committee finds that existing law requires licensed importers, wholesalers, or retailers to notify the appropriate county fire department when shipping fireworks. This measure adds another safeguard for fireworks transportation by requiring shippers to notify the appropriate county fire departments when fireworks are transported into and within the State. Your Committee further finds that this measure adds two reasonable exceptions to the fireworks prohibitions, for movie productions and appropriate county authorities, and changes the labeling size for display fireworks, pyrotechnic articles, or aerial devices, which is consistent with nationally recognized standards.

Your Committee has amended this measure by:

- (1) Clarifying that the exception to the fireworks prohibition authorizing the testing, disposal, and destruction of illegal and unwanted fireworks applies to an authority having jurisdiction as determined by each county, as appropriate;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2183, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2183, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 2604 Commerce, Consumer Protection, and Health on S.B. No. 2875

The purpose and intent of this measure is to:

- (1) Repeal language that requires the Department of Human Services to determine the amount of liability insurance coverage required to be obtained and maintained by child care providers;
- (2) Repeal language that requires child care providers to disclose a summary of information for liability insurance coverage, including the insurer's name and contact information, coverage amounts, and effective dates; and
- (3) Amend Act 161, Session Laws of Hawaii 2017 (Act 161), by extending the deadline for the Department of Human Services to submit a report to the Legislature, amending the information to be included in the report, and extending the implementation and enforcement deadline for the liability insurance requirements until July 1, 2019.

Your Committee received testimony in support of this measure from the Department of Human Services.

Your Committee finds that the intent of Act 161 was to strengthen minimum standards on child care and improve the health and safety of children by requiring child care providers subject to regulation by the Department of Human Services (Department) to obtain and maintain liability insurance coverage. Your Committee further finds that some child care providers have indicated to the Department that they were considering no longer registering with the Department or providing child care, as a result of Act 161's insurance requirements. The Department noted in testimony that there was a twelve percent decrease in the number of homes that were regulated by the Department between December 2016 and December 2017. The Department also noted that information from other states that require liability insurance coverage indicated most states only require child care providers to produce evidence of insurance, rather than establishing minimum coverage requirements within child care regulatory requirements.

Your Committee additionally finds that this measure therefore removes the requirement that the Department determine the amount of liability insurance coverage required for child care providers, as the Department is not the appropriate entity to determine the amount of such coverage, and removes the requirement for child care providers to disclose a summary of information for liability insurance coverage. This measure also provides the Department with additional time to submit a report to the Legislature regarding certain implementation and enforcement requirements under Act 161.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2875, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2605 Transportation and Energy on Gov. Msg. Nos. 538 and 539

Recommending that the Senate advise and consent to the nominations of the following:

MEDICAL ADVISORY BOARD

G.M. No. 538 ANTHONY KATRAS, MD, for a term to expire 06-30-2021; and

G.M. No. 539 JUDY KOVELL, MD, for a term to expire 06-30-2021

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Anthony Katras, MD, and Judy Kovell, MD, to possess the requisite qualifications to be nominated to the Medical Advisory Board.

ANTHONY KATRAS, MD

Your Committee received testimony in support of the nomination for the appointment of Anthony Katras, MD, from the Department of Transportation.

Dr. Katras has been a vascular surgeon for nine years and has been a professor for over twenty-five years. He currently serves as a clinical associate professor at the University of Hawaii John A. Burns School of Medicine and a clinical professor at East Tennessee State University and Uniformed Services University. Dr. Katras also serves as the program director for the Uniformed Services University of the Health Sciences student surgery clerkship and a staff vascular surgeon for Straub Clinic and Hospital and Tripler Army Medical Center. Your Committee notes that Dr. Katras served on the East Tennessee State University College of Medicine Admissions Committee for twelve years and has been a University of Hawaii John A. Burns School of Medicine Admission Committee interviewer for four years. As such, Dr. Katras has experience evaluating records and making decisions with other committee members. Your Committee finds that Dr. Katras's knowledge and experience qualify him for appointment to the Medical Advisory Board.

JUDY KOVELL, MD

Your Committee received testimony in support of the nomination for the appointment of Judy Kovell, MD, from the Department of Transportation.

Dr. Kovell has worked in psychiatry and behavioral health since 2009, including working in a behavioral health clinic for three years and working as a psychiatrist for three years. She currently serves as the program director, general psychiatry residency, at Tripler Army Medical Center, a position she has held since 2016; from 2013 to 2016, Dr. Kovell was the associate program director. Your Committee notes that Dr. Kovell has been a supervisor throughout her professional career, as chief of medical operations, chief of inpatient psychiatry, and as program director, and therefore has significant leadership experience. Your Committee finds that Dr.

Kovell's extensive experience and expertise with treating patients with psychiatric and neurological conditions qualify her for appointment to the Medical Advisory Board.

As affirmed by the records of votes of the members of your Committee on Transportation and Energy that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Shimabukuro).

SCRep. 2606 (Joint) Judiciary and Ways and Means on S.B. No. 2111

The purpose and intent of this measure is to establish a two-year agricultural theft and vandalism pilot project to examine the effectiveness of prosecuting agricultural theft and vandalism cases, including theft and vandalism affecting individuals who produce agricultural products for personal or small-scale commercial use on any land, in the County of Hawaii.

Your Committees received testimony in support of this measure from the Department of Agriculture, Office of the Prosecuting Attorney of the County of Hawai'i, Hawaii Farm Bureau, Ulupono Initiative, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii Island Economic Development Board, two members of the Hawaii County Council, and two individuals.

Your Committees find that agricultural theft and vandalism in the County of Hawaii are impediments to not only running a successful and profitable farming operation, but also to growing food or agricultural products for personal or small-scale commercial use. Agricultural theft and vandalism are a serious, ongoing problem, with farmers reporting theft of crops, animals, equipment, and tools, and vandalized fences and gates. Since many incidents of agricultural theft and vandalism are not reported, the annual monetary losses can only be estimated in the millions of dollars. By establishing an agricultural theft and vandalism pilot project for the County of Hawaii, this measure provides additional focus on investigating and prosecuting agricultural theft and vandalism.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2111, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2111, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Kim).

Ways and Means: Ayes, 8. Noes, none. Excused, 3 (Kaele, Shimabukuro, Wakai).

SCRep. 2607 (Joint) Judiciary and Ways and Means on S.B. No. 2113

The purpose and intent of this measure is to prohibit manufacturers and contract testing facilities in Hawaii from using animal test methods for the purpose of testing cosmetics or household products if an alternative testing method is available.

Your Committees received testimony in support of this measure from the Humane Society of the United States and six individuals. Your Committees received testimony in opposition to this measure from the Hawaii Cattlemen's Council, Inc. Your Committees received comments on this measure from the University of Hawaii System.

Your Committees find that the trend among manufacturers of cosmetics and household products is to utilize testing methods that do not involve animals. Many alternatives to animal testing exist that are cheaper, faster, and better able to predict human reactions. Your Committees find that Hawaii should lead by example and prohibit manufacturers from using animal testing methods for cosmetics and household products when alternative methods are available, though your Committees realize that potential issues of enforceability may arise.

Your Committees express concern that the exclusive remedy allowed by this measure lies with the Department of the Attorney General. Because the definition of an acceptable "alternative method" in this measure includes use of fewer animals or methods that cause "less suffering" to animals already being tested, the Department of the Attorney General is therefore required to engage in case-by-case analysis of whether certain testing techniques are most appropriate for certain cosmetics or products. Your Committees doubt that, as written, even with use of costly outside investigatory resources, the Department of the Attorney General would be able to consistently and meaningfully enforce this measure.

Your Committees have amended this measure by:

- (1) Revising its legislative findings;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2113, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2113, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Kim).

Ways and Means: Ayes, 8. Noes, none. Excused, 3 (Kaele, Shimabukuro, Wakai).

SCRep. 2608 Judiciary on S.B. No. 2299

The purpose and intent of this measure is to:

- (1) Authorize a naturopathic physician to prescribe and administer testosterone that is consistent with naturopathic medical practice; and
- (2) Clarify that narcotic drugs and other controlled substances besides testosterone, shall not be included within the naturopathic formulary.

Your Committee received testimony in support of this measure from the Hawaii Medical Service Association, Maui Regenerative Medicine, Hawaii Society of Naturopathic Physicians, Board of Naturopathic Medicine, and nine individuals. Your Committee received testimony in opposition to this measure from the Hawaii Medical Association.

Your Committee finds that naturopathic physicians provide skilled and quality care to patients throughout the State, and remain mindful of safety, appropriate prescribing, and efficacy when treating patients with natural hormones. Your Committee further finds that although naturopathic physicians have some prescriptive authority, they are unable to prescribe testosterone, a controlled substance that is consistent with the practice of naturopathic medicine. Controlled substances such as testosterone have been included in the prescriptive authority for naturopathic physicians in Arizona, California, Oregon, and Washington. This measure therefore authorizes a naturopathic physician to prescribe and administer testosterone, consistent with naturopathic medical practice, but specifies that other narcotic drugs and controlled substances shall not be included within the naturopathic formulary.

Your Committee has amended this measure by inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2299, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2299, S.D. 2.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2609 Judiciary on S.B. No. 2491

The purpose and intent of this measure is to increase protections for health care workers by increasing the criminal penalties for assaulting a health care worker who is engaged in the performance of duties.

Your Committee received testimony in support of this measure from the Department of Health; Hawaii Health Systems Corporation; Hawaii Medical Association; Kaiser Permanente Hawai'i; Healthcare Association of Hawaii; The Queen's Health Systems; United Public Workers, AFSCME, Local 646, AFL-CIO; Hawaii Medical Service Association; Hawaii Primary Care Association; Legacy of Life Hawaii; American Organization of Nurse Executives; Hawaii Nurses Association, OPEIU, Local 50; One Kalakaua Senior Living; Pali Momi Medical Center; Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO; Hawaii Pacific Health; Hilo Medical Center; and six individuals. Your Committee received testimony in opposition to this measure from the Office of the Public Defender. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that assault and violence against health care workers is a significant and increasing issue in Hawaii. Incidents of violence against health care workers are also frequently underreported, or only reported in the most severe cases. Expanding the increased penalties currently provided for assault or violence against certain categories of health care workers will increase protection for vital and vulnerable health care service providers.

Your Committee has amended this measure by:

- (1) Simplifying the legislative findings;
- (2) Removing language that included intentionally or knowingly causing bodily injury to a person employed or contracted to work by a mutual benefit society within the offense of assault in the second degree;
- (3) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2491, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2491, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Rhoads, Thielen). Noes, none. Excused, none.

SCRep. 2610 Judiciary on S.B. No. 2559

The purpose and intent of this measure is to:

- (1) Clarify that state, county, and authorized agents' authority to enter private property to control and eradicate invasive species also applies when there is a reasonable suspicion that priority invasive species are present on that property; and
- (2) Require the Invasive Species Council to maintain a list of priority invasive species and diseases that pose a high risk to public health and safety, the environment, or agriculture.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resource, Department of Agriculture, Office of the Mayor of the County of Hawai'i, Hawaii Farm Bureau, Oahu County Committee on Legislative Priorities of

the Democratic Party of Hawai'i, Nature Conservancy Hawai'i, two members of the Maui County Council, one member of the Hawaii County Council, and one individual. Your Committee received testimony in opposition to this measure from Animal Rights Hawai'i.

Your Committee finds that invasive species and pests are a persistent and ongoing issue throughout the State. This measure will require the Invasive Species Council to maintain an accurate list of priority invasive species and diseases and expand the ability of authorized agents to eradicate them or limit their spread. Your Committee recognizes that the Board of Agriculture is the regulatory authority for control of invasive species and that the Board's declaration is required for an invasive species to be designated as a pest requiring eradication.

Your Committee has amended this measure by:

- (1) Clarifying that a declaration by the Chairperson of the Board of Agriculture that an invasive species is a pest requiring eradication to protect public health, the environment, or agriculture is required before authorized agents may enter private property to control or eradicate the invasive species; and
- (2) Inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2559, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2559, S.D. 2.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2611 Judiciary on S.B. No. 2650

The purpose and intent of this measure is to ensure that Hawaii continues to support full access for persons with disabilities through meaningful accessibility requirements for movie theaters by:

- (1) Permanently requiring motion picture theaters to offer open movie captioning showings at least two times per week;
- (2) Requiring one of those showings to have a scheduled start time no earlier than 4:30 p.m.; and
- (3) Eliminating the requirement that public accommodations provide an option of personal closed captioning screenings by means of lightweight eyewear.

Your Committee received testimony in support of this measure from the Hawaii Civil Rights Commission, Disability and Communication Access Board, State Council on Developmental Disabilities, Office of Language Access, Special Education Advisory Council, Hawaii Disability Rights Center, Aloha State Association of the Deaf, Hawaii Self Advocacy Advisory Council, and nineteen individuals.

Your Committee finds that open movie captioning has enabled deaf and hard-of-hearing consumers to enjoy movies in a similar fashion as those who do not require open movie captioning. Your Committee further finds that the deaf and hard-of-hearing community strongly prefers open captioning to any type of eyewear, even if lightweight.

Your Committee also finds that federal requirements permit movie theaters to use any option to view closed captions, while Act 211, Session Laws of Hawaii 2017, specified one particular type of closed captioning device, in the form of lightweight eyewear. Your Committee further finds that given the rapid technological advances common in today's society, referencing a specific type of technology, such as lightweight eyewear, in statute is problematic, as it is likely that such technology could soon be rendered obsolete.

Your Committee notes that open movie captioning also provides a critical benefit to Limited English Proficient individuals and English-Language Learners. According to the Office of Language Access, open movie captioning can be a great tool for Limited English Proficient individuals and English-Language Learners to enjoy movies and learn the correspondence between spoken and written language.

Your Committee finds that this measure will help ensure that members of the deaf and hard-of-hearing community will have full, equal, and non-discriminatory access to and enjoyment of motion pictures with open captioning.

Your Committee has amended this measure by inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2650, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2650, S.D. 2.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2612 (Joint) Judiciary and Ways and Means on S.B. No. 2749

The purpose and intent of this measure is to align provisions in the Hawaii Revised Statutes relating to child support guidelines to be in compliance with federal regulations.

Your Committees received testimony in support of this measure from the Department of the Attorney General, Department of Human Services, and one individual. Your Committees received testimony in opposition to this measure from the Judiciary.

Your Committees find that the federal final rule amendments to guidelines for child support payments require states to implement such amendments in their child support guidelines. This measure provides more opportunity for the public to be involved in the review of child support guidelines, access to information on how the review was conducted, and overall access to the guidelines. Your Committees further find that the Child Support Enforcement Agency is best situated to collect the data necessary for the quadrennial

review required by section 2 of this measure, as amended by your Committees, and that more financial resources will be required to effectively facilitate the collection of the necessary data. Your Committees find that the Department of the Attorney General has suggested amendments to this measure that would further the purpose and intent of this measure.

Accordingly, your Committees have amended this measure by:

- (1) Modifying the required contents of a child support order when the court imputes income, deviates from the child support guidelines, or when the child support order is issued by default;
- (2) Clarifying that the factors for imputation apply in all situations, and that imputation is not automatically required for incarcerated individuals;
- (3) Clarifying that the data necessary for the quadrennial review shall be collected by the Child Support Enforcement Agency;
- (4) Making an appropriation in a blank amount to the Child Support Enforcement Agency to facilitate collection of data to be considered in the quadrennial review;
- (5) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2749, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2749, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Kim).

Ways and Means: Ayes, 8. Noes, none. Excused, 3 (Kahele, Shimabukuro, Wakai).

SCRep. 2613 (Joint) Judiciary and Ways and Means on S.B. No. 2792

The purpose and intent of this measure is to:

- (1) Repeal the limitation on criminal history record checks of household members who provide care for a child whose family receives child care subsidies from the Department of Human Services in a regulated child care setting;
- (2) Clarify the release of investigation information to the public;
- (3) Clarify a child care licensing program's duty to share information it receives, and cooperate with child protective services and law enforcement, when the program receives a report of death or injury of a child; and
- (4) Clarify that the Department of Human Services may take administrative action, judicial action, or both, to enforce child care licensing provisions and increase penalties by making them apply on a daily basis.

Your Committees received testimony in support of this measure from the Department of Human Services, Keiki Injury Prevention Coalition, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual.

Your Committees find that child care providers play an important role in the safety and well-being of a child and that it is of the utmost importance that diligence is used in making criminal history data available to the Department of Human Services on a wider scale. Recent events involving injuries and death have revealed the need for the Department of Human Services to enforce transparent measures for the safety of children in certain child care settings. This measure will ensure that necessary provisions are in place to protect the health, safety, and welfare of children and provide reassurance to their families.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2792, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2792, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Kim).

Ways and Means: Ayes, 8. Noes, none. Excused, 3 (Kahele, Shimabukuro, Wakai).

SCRep. 2614 (Joint) Judiciary and Ways and Means on S.B. No. 2854

The purpose and intent of this measure is to enforce the requirement in Act 200, Session Laws of Hawaii 2016, to have annual registration and safety inspections for mopeds by establishing a fine for failure to register a moped.

Your Committees received testimony in support of this measure from the Pearl City Neighborhood Board No. 21 and Moped Noise Mitigation Working Group.

Your Committees find that Act 200, Session Laws of Hawaii 2016, established a requirement that mopeds undergo annual registration and safety inspections as a means of resolving the ongoing issue of illegally modified mopeds. Approximately five thousand mopeds have been registered under the new law, but without enforcement, compliance is an unresolved issue. This measure will encourage compliance with the registration and safety inspection requirement by establishing a fine for moped owners who fail to register their mopeds.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2854, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2854, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Kim).

Ways and Means: Ayes, 8. Noes, none. Excused, 3 (Kahele, Shimabukuro, Wakai).

SCRep. 2615 Judiciary on S.B. No. 3024

The purpose and intent of this measure is to prohibit the sale of video games that contain a system of further purchasing a randomized reward or a virtual item that can be redeemed to receive a randomized reward to consumers under twenty-one years of age.

Your Committee received testimony in support of this measure from the Hawaii Youth Services Network. Your Committee received testimony in opposition to this measure from the Entertainment Software Association and TechNet. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs and Entertainment Software Rating Board.

Your Committee finds that the video game industry is a multi-billion dollar industry with a diverse consumer base that continues to grow substantially each year. Video games are increasingly prevalent and accessible, as smart phones, gaming consoles, and personal computers become more available. Increased access to video games has increased the popularity of an in-game mechanism known as a "loot box". Loot boxes are purchased with money or earned through gameplay, and contain randomized rewards that can help an individual progress in the game or are merely cosmetic. According to testimony received by your Committee, this mechanism is similar to gambling, and could lead to children and youth developing a behavioral addiction to gambling. Because parents and other responsible adults are often unaware of the randomized rewards that are available in video games, your Committee concludes that in order to reduce the exposure of children and youth to gambling and its harmful effects, the sale of video games that contain a system of further purchasing a randomized reward to children and youth should be prohibited.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3024, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3024, S.D. 2.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2616 Judiciary on S.B. No. 3033

The purpose and intent of this measure is to clarify and strengthen the existing agricultural theft law to allow for the protection of agricultural products raised or produced by all people in the State.

Your Committee received testimony in support of this measure from the Department of Agriculture; Office of the Prosecuting Attorney, County of Hawaii; Hawaii County Councilmember Eileen O'Hara; Ulupono Initiative; David S. De Luz, Sr. Enterprises, Inc.; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and one individual. Your Committee received comments on this measure from the Hawai'i Farm Bureau.

Your Committee finds that agricultural theft and vandalism are serious and ongoing problems, with farmers and residents reporting theft of crops, animals, equipment, and tools, and vandalized fences and gates. Your Committee further finds that the courts have limited the crime of agricultural theft by interpreting that the crime only includes theft of products maintained by a commercial agricultural enterprise or research agency while owned by the enterprise or agency, which leaves residents who grow agricultural products for their own consumption, to be given as gifts, or to be sold at local markets without full legal recourse options if they are the victims of theft. This measure corrects the existing loophole in the law to ensure thieves are prosecuted.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3033, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3033, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2617 Ways and Means on S.B. No. 2569

The purpose and intent of this measure is to expand the membership composition and broaden the mission of the Pesticide Advisory Committee.

Specifically, this measure:

- (1) Expands the membership of the Pesticide Advisory Committee to include a representative from the Department of Education, each county mayor's office, Hawaii Farmers Union United, a medical expert, and a non-governmental organization scientist; and
- (2) Expands the duties of the Pesticide Advisory Committee to include:
 - (A) Establishing state standards for low-level, continuous exposures to pesticides;
 - (B) Recommending specific changes to the State's pesticide laws and regulations to the Legislature;
 - (C) Expanding Kauai's agricultural good neighbor program statewide; and
 - (D) Establishing a comprehensive buffer zone policy for the State.

Your Committee received written comments in support of this measure from the Hawaii State Teachers Association, Hawaii Alliance for Progressive Action, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and two individuals.

Your Committee received written comments in opposition to this measure from the Department of Agriculture, Hawaii Farm Bureau, Hawaii Crop Improvement Association, Western Plant Health Association, and Land Use Research Foundation of Hawaii.

Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that the Joint Fact Finding Group created by the Department of Agriculture and the County of Kauai to address environmental and public health questions related to large-scale use of pesticides on Kauai released a report of its findings and recommendations in May 2016. Your Committee finds that this measure implements the Joint Fact Finding Group's recommendation to expand the membership composition and broaden the mission of the Pesticide Advisory Committee.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2569, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2569, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Inouye, Wakai).

SCRep. 2618 Ways and Means on S.B. No. 2474

The purpose and intent of this measure is to protect public health and welfare by requiring the Department of Health to conduct a study on the impacts of aviation noise on residents of the Puna District and surrounding areas of Hawaii Volcanoes National Park on the Island of Hawaii.

Your Committee received written comments in support of this measure from the Mayor of the County of Hawaii, a Hawaii County Council member, and one individual.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that overhead helicopter noise from tour companies has impacted residents who live along the helicopters' flight paths. Your Committee believes that if the study required by this measure identifies positive suggestions or potential compromises, this will benefit both the affected residents and the helicopter tour businesses.

Your Committee has amended this measure by:

- (1) Changing the sum appropriated for the study from \$200,000 to an unspecified sum;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2474, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2474, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2619 Ways and Means on S.B. No. 2124

The purpose and intent of this measure is to support the efforts of the Hawaii Ant Lab of the Pacific Cooperative Studies Unit of the University of Hawaii to mitigate the little fire ant threat in Hawaii.

More specifically, this measure appropriates moneys to the University of Hawaii to:

- (1) Establish seven full-time equivalent (7.0 FTE) positions within the Hawaii Ant Lab of the Pacific Cooperative Studies Unit; and
- (2) Purchase equipment for the Lab's operations and efforts to mitigate the little fire ant threat in Hawaii.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, the Department of Agriculture, the Office of the Mayor of the County of Hawaii, two members of the Hawaii County Council, the Hawaii

Farm Bureau Federation, Little Fire Ant HUI, Ka Ohana O Na Pua, the OCC Legislative Priorities Committee of the Democratic Party of Hawaii, and eighteen concerned individuals.

Your Committee finds that the little fire ant poses a serious threat to human health and agriculture in the State. Your Committee recognizes the importance of efforts by the Hawaii Ant Lab of the Pacific Cooperative Studies Unit to control and eradicate the little fire ant.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$750,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2124, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2124, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2620 Ways and Means on S.B. No. 2116

The purpose and intent of this measure is to ensure that terrestrial and aquatic biosecurity threats are neutralized during the early stages of a biosecurity emergency.

More specifically, this measure:

- (1) Establishes the biosecurity emergency response special fund and appropriates moneys for the special fund;
- (2) Creates procedures for biosecurity emergencies to be declared by the Governor and moneys to be expended from the fund; and
- (3) Requires the Department of Agriculture to make an accounting of moneys expended from the fund and to include that information in its annual report to the Legislature.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, the Department of Agriculture, the Hawaii County Council, the Big Island Invasive Species Committee, the Hawaii Farm Bureau, the Democratic Party of Hawaii's Oahu County Committee on Legislative Priorities, and twelve private individuals.

Your Committee received written comments on this measure from the Department of Budget and Finance and the State Procurement Office.

Your Committee finds that rapid response to newly detected invasive pest species would minimize the establishment and impact of these species.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated for deposit into the biosecurity emergency response special fund and the amount appropriated out of the special fund from \$300,000 to unspecified amounts;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2116, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2116, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2621 Ways and Means on S.B. No. 3027

The purpose and intent of this measure is to provide moneys to the Department of Land and Natural Resources for the Kaho'olawe Island Reserve Commission to restore, preserve, and determine the appropriate uses of Kaho'olawe Island, and fund one full-time equivalent permanent cultural resource project coordinator position for the Kaho'olawe Island Reserve Commission.

Your Committee received written comments in support of this measure from the Kaho'olawe Island Reserve Commission; the County of Maui; the OCC Legislative Priorities, Democratic Party of Hawai'i; the Hawaiian Civic Club of Honolulu; the Ocean Tourism Coalition; and twenty-one individuals.

Your Committee received written comments from two individuals.

Your Committee received written comments in opposition to this measure from the Center for Hawaiian Sovereignty Studies.

Your Committee finds that the Kaho'olawe Island Reserve Commission has developed effective restoration projects for the future restoration of the island, including the 2026 Kaho'olawe Island strategic plan. In addition, while general funds were provided for the Kaho'olawe Island Reserve Commission, additional funds are needed for the Kaho'olawe Island Reserve Commission's restoration work. This measure provides additional funding needed to continue restoration, implement the strategic plan, and provide the Kaho'olawe Island Reserve Commission with a cultural resources project coordinator.

Your Committee has amended this measure by:

- (1) Changing the appropriation amounts to unspecified amounts;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3027, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3027, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2622 Ways and Means on S.B. No. 2714

The purpose and intent of this measure is to exclude the weight of disability access modifications from the determination of net weight for non-commercial vehicles for the purpose of levying state and county motor vehicle weight taxes.

Your Committee received written comments in support of this measure from the Disability and Communication Access Board and two individuals.

Your Committee received written comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that use of a personal vehicle by disabled persons, in lieu of a county-subsidized paratransit service, results in substantial savings to taxpayers. Accordingly, your Committee believes that disability access modifications made to personal vehicles should be encouraged by excluding the weight of such modifications from the determination of motor vehicle weight taxes.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2714, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2714, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2623 (Majority) Ways and Means on S.B. No. 2614

The purpose and intent of this measure is to extend from March 31, 2018, to March 31, 2019, the deadline for a county to adopt an ordinance to establish a surcharge on the state general excise and use taxes.

The Office of the Mayor of the County of Hawaii submitted written comments in support of the measure.

The Department of Taxation submitted written comments on the measure.

Your Committee notes that the County of Kauai and the City and County of Honolulu have already adopted a surcharge on the general excise and use taxes. Your Committee recognizes that this measure would provide the County of Hawaii and the County of Maui with an extension of time to adopt the surcharge.

Accordingly, your Committee has amended this measure to establish that:

- (1) For a county that has adopted an ordinance before March 31, 2018, the Director of Taxation shall levy, assess, collect, and otherwise administer the county surcharge on state tax starting on January 1, 2019; and
- (2) For a county that has adopted an ordinance before March 31, 2019, the Director of Taxation shall levy, assess, collect, and otherwise administer the county surcharge on state tax starting on January 1, 2020.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2614, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2614, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, 1 (Riviere). Excused, 2 (Inouye, Wakai).

SCRep. 2624 Ways and Means on S.B. No. 80

The purpose and intent of this measure is to make an emergency appropriation to finance the lowering and relocation of portions of the iHeart Radio antenna, currently located near Kapalama canal on the island of Oahu.

Your Committee received written comments in support of this measure from the Department of Transportation, the Airlines Committee of Hawaii, and Hawaii Harbors Users Group.

Your Committee finds that the iHeart Radio antenna extends four hundred forty feet and is a potential hazard for an airplane requiring an emergency landing. Your Committee further finds that reducing the height of the antenna and moving portions of the antenna to a new location will alleviate the safety concerns raised by the airlines.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated from \$3,000,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 80, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 80, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2625 Ways and Means on S.B. No. 3057

The purpose and intent of this measure is to facilitate the use of land-secured financing by the counties.

More specifically, this measure:

- (1) Expands the authority of counties to use land-based financing to support operating costs for certain county services provided within improvement districts and community facilities districts;
- (2) Allows county maintenance of the capital improvements to be land-based financed; and
- (3) Authorizes counties to use up to an unspecified percentage of the assessments or tax revenues to cover administrative expenses in creating and administering the improvement or community facilities districts and the associated assessments, fees, and taxes.

Your Committee received comments on this measure from the City and County of Honolulu Department of Budget and Fiscal Services and the Tax Foundation of Hawaii.

Your Committee finds that land-secured financing provides an opportunity for the counties to support new and existing development-related operating costs, such as police, fire protection, and maintenance services, in addition to special improvements and infrastructure. Your Committee notes that, pursuant to section 46-80.1, Hawaii Revised Statutes, the counties are already authorized to set aside funds to cover administrative expenses. As a result, your Committee further finds that the language in the measure that authorizes unspecified amounts of assessments and tax revenues for such purposes is unnecessary.

Your Committee has amended this measure by:

- (1) Deleting provisions that authorize the use of unspecified amounts of assessments and tax revenues for the counties to cover administrative expenses; and
- (2) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3057, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3057, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2626 Ways and Means on S.B. No. 2619

The purpose and intent of this measure is to substitute criminal penalties with civil penalties for certain violations pertaining to airport safety.

Your Committee received written comments in support of this measure from the Department of Transportation and one individual.

Your Committee finds that the imposition of criminal penalties for certain violations of airport rules may be excessive and disproportionate to the gravity of the violations. Accordingly, your Committee believes that those criminal penalties should be replaced with civil penalties.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2619, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2619, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2627 (Majority) Ways and Means on S.B. No. 3006

The purpose and intent of this measure is to provide the State greater flexibility in its use and application of the Hawaii State Building Codes.

More specifically, this measure allows the State to use alternative building codes for the design and construction of state projects, provided that certain requirements are met.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, the Hawaii Laborers-Employers Cooperation and Education Trust, and LiUNA Local 368.

Your Committee received written comments in opposition to this measure from the International Brotherhood of Electrical Workers Local Union 1186, International Association of Plumbing and Mechanical Officials, Plumbing and Mechanical Contractors Association of Hawaii, and CCPI Hawaii.

Your Committee received written comments on this measure from the Department of Accounting and General Services, the State Building Code Council, and the Hawaii Emergency Management Agency.

Your Committee finds that although the Hawaii State Building Codes currently address public health and safety and environmental concerns, the codes do not consider cost efficiencies and investment value in construction; changing technologies; and improved materials, methods, and approaches to protect public health and safety. While your Committee believes that these concerns should be addressed, your Committee recognizes that this measure would benefit from continued discussions between the measure's proponents and opponents.

Therefore, your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure;
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3006, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3006, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, 1 (Kidani). Excused, 2 (Kahele, Shimabukuro).

SCRep. 2628 Ways and Means on S.B. No. 2603

The purpose and intent of this measure is to ensure that certain audit reports and studies conducted pursuant to legislation enacted with an appropriation or adopted by concurrent resolution are more widely distributed and reviewed.

More specifically, this measure:

- (1) Requires that any of these reports or studies be submitted to the subject matter committee chair of the Senate and the House of Representatives;
- (2) Requires a public hearing or informational briefing on the reports or studies within one year of the receipt of the report or study; and
- (3) Exempts financial and regularly occurring studies or audits from these requirements.

Your Committee received written comments in support of this measure from the Office of the Auditor and Common Cause Hawaii.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that requiring a public hearing or informational briefing on the content of those reports conducted pursuant to legislation enacted with an appropriation or adopted by concurrent resolution, will result in wider distribution of the reports, thus increasing government accountability and access to the information.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2603, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2603, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2629 Ways and Means on S.B. No. 2428

The purpose and intent of this measure is to ensure that applicants for law enforcement officer positions are of good character.

Specifically, the measure:

- (1) Prohibits the hiring of a state or county law enforcement officer if the candidate's previous position as a law enforcement officer was terminated while the officer was in poor employment standing; and
- (2) Requires background checks for prospective police officers.

Your Committee received written comments in support of this measure from the Department of Transportation; the Young Progressives Demanding Action - Hawaii; and four individuals.

Your Committee finds that a high-quality and high-performing workforce for state and county law enforcement is critical in order to protect the health and safety of the public. Requiring background checks, and prohibiting the hiring of individuals who were in poor standing in their previous law enforcement positions, will improve the quality of state and county law enforcement employees.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2428, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2428, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2630 Ways and Means on S.B. No. 2515

The purpose and intent of this measure is to repeal the authority for department heads to establish and abolish positions for special, research, and demonstration projects approved by the Governor.

Your Committee received written comments in support of this measure from one individual.

Your Committee received written comments in opposition to this measure from the Department of Agriculture; the Department of Budget and Finance; the Department of Business, Economic Development, and Tourism; the Department of Defense; the Department of Health; the Department of Human Resources Development; the Department of Human Services; the Department of Land and Natural Resources; the Department of Transportation; and the Office of Enterprise Technology Services.

Your Committee received written comments on this measure from the Office of the Governor.

Your Committee finds that executive departments and agencies have the authority to establish positions for special, research and demonstration projects approved by the Governor, outside of the legislative process. This measure abolishes this authority.

Your Committee has amended this measure by changing the effective date to July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2515, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2515, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2631 Ways and Means on S.B. No. 2911

The purpose and intent of this measure is to facilitate a land exchange transaction for the relocation of a public library on the island of Hawaii.

More specifically, the measure makes an appropriation for the Department of Land and Natural Resources to conduct a phase I environmental site assessment and, if necessary, a phase II environmental site assessment and suitable environmental remediation at the former Lalamilo reservoir site on the island of Hawaii as due diligence concerning the Lalamilo reservoir site land exchange transaction for the relocation of a public library.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources and the Hawaii State Public Library System.

Your Committee finds that it is necessary to conduct environmental due diligence, including site assessment and suitable remediation, to move forward with a proposed land exchange that is necessary for the replacement of the Thelma Parker Memorial Public and School Library on the island of Hawaii. The current library site is located on the Waimea Elementary School campus, causing safety concerns and issues related to access and parking. In exchange for the former Lalamilo reservoir site, the State will receive a parcel of land for the new library.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050; and
- (2) Changing the appropriation from \$500,000 to an unspecified amount,

to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2911, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2911, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2632 Ways and Means on S.B. No. 2887

The purpose and intent of this measure is to appropriate moneys for events recognizing the twenty-fifth anniversary of the sister state relationship between Hawaii and Taiwan.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that Hawaii and Taiwan enjoy numerous and longstanding business, cultural, educational, and historic ties that should be celebrated in events recognizing the twenty-fifth anniversary of the sister state relationship between Hawaii and Taiwan. Your Committee notes that your Committees on Judiciary and Economic Development, Tourism, and Technology previously approved an appropriation of \$75,000 for this purpose.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$75,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the matter; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2887, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2887, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2633 Ways and Means on S.B. No. 2767

The purpose and intent of this measure is to maintain the tax-qualified status of the Employees' Retirement System.

Your Committee received testimony in support of this measure from the Employees' Retirement System.

Your Committee finds that the Employees' Retirement System is intended to be a tax-qualified retirement plan under section 401(a) of the Internal Revenue Code. Your Committee also finds that Act 86, Session Laws of Hawaii 2015, prospectively changes the cost to purchase membership service after June 30, 2020. However, the Employees' Retirement System tax counsel has concluded that the change in purchase cost allows for greater pre-tax retirement contributions than had been approved of by the Internal Revenue Service. Your Committee further finds that this measure makes amendments necessary to maintain the tax-qualified status of the Employees' Retirement System.

Your Committee has amended this measure by making technical nonsubstantive amendments for the purposes of consistency and clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2767, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2767, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Kidani).

SCRep. 2634 Ways and Means on S.B. No. 2172

The purpose and intent of this measure is to clarify fee and per diem payment provisions for certain expert witnesses who are required to attend a state court or grand jury regarding a criminal case.

Your Committee received written comments in support of this measure from the Office of the Public Defender, the Department of the Prosecuting Attorney of the City and County of Honolulu, and The Sex Abuse Treatment Center.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that the appearance of expert witnesses is often necessary for the fair adjudication of criminal cases. Accordingly, there is a need to clarify applicable statutory provisions relating to expert witness fees and per diem payments.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2172, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2172, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (English, Kahele, Keith-Agaran, Wakai).

SCRep. 2635 Ways and Means on S.B. No. 2211

The purpose and intent of this measure is to expand the scope of the concussion educational program.

More specifically, this measure:

- (1) Expands the scope of the concussion educational program to include athletic events beginning from grade three; and
- (2) Makes an appropriation for the continuation of the concussion educational program.

Your Committee received written comments in support of this measure from the Department of Education, University of Hawaii System, Hawaii Psychological Association, Hawaii Chapter of American Physical Therapy Association, and twelve concerned individuals.

Your Committee finds that young athletes are particularly susceptible to head and brain trauma. Your Committee further finds that the concussion educational program should be expanded to include additional students.

Your Committee has amended this measure by:

- (1) Changing the effective date for section 3 of the measure to July 1, 2050;

- (2) Changing the effective date for the remainder of the measure to June 30, 2050, to facilitate further discussion on the measure; and
- (3) Making a technical nonsubstantive change for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2211, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2211, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2636 Ways and Means on S.B. No. 2735

The purpose and intent of this measure is to enhance the independence and stability of the Office of Information Practices.

More specifically, this measure:

- (1) Establishes the Director of the Office of Information Practices' term for six years and thereafter until a successor is appointed;
- (2) Sets the Director's salary to an amount equivalent to the salary of a tier-one deputy department director;
- (3) Requires that the Director be appointed pursuant to a nomination by the Governor and the advice and consent of the Senate, rather than be appointed directly by the Governor; and
- (4) Makes an appropriation to the Office of Information Practices for implementation of this measure.

Your Committee received written comments in support of this measure from the Office of Information Practices and the Hawaii State Ethics Commission.

Your Committee received written comments in opposition to this measure from the Civil Beat Law Center for the Public Interest and the Hawaii Chapter of the Society of Professional Journalists.

Your Committee finds that making the Office of Information Practices' Director's appointment subject to the advice and consent of the Senate would ensure independence from undue political influence. Additionally, your Committee believes that setting the Director's term and salary equal to that of the heads of other governmental agencies would achieve parity.

Your Committee has amended this measure by:

- (1) Changing the Director of the Office of Information Practices' salary to make it the same as the salary of the Director of Health;
- (2) Changing the effective date to July 1, 2018; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2735, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2735, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Kahele, Keith-Agaran, Wakai).

SCRep. 2637 Judiciary on S.B. No. 2189

The purpose and intent of this measure is to:

- (1) Provide that failure of state and county officers and employees to carry out or comply with chapter 801D, Hawaii Revised Statutes, relating to victims' rights, shall provide a basis for disciplinary action, with certain exceptions; and
- (2) Require competent authority to immediately report such disciplinary action to the Legislature.

Your Committee received testimony in support of this measure from Ho'omanapono Political Action Committee; Ho'omana Pono, LLC; and ten individuals. Your Committee received testimony in opposition to this measure from the Honolulu Police Department and Department of the Prosecuting Attorney, County of Maui. Your Committee received comments on this measure from the Department of Public Safety.

Your Committee finds that, to be meaningful, victims' legal rights must be enforced. In order for sufficient enforcement to take place, several states have acted by creating offices to receive and investigate reports of violations of victims' rights. Other states have acted by creating laws that permit victims to assert their rights in court or established a victim's bill of rights within their state constitutions. This measure aims to increase enforcement of victims' rights in Hawaii by increasing the accountability of state and county officers and employees.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2189, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2638 Judiciary on S.B. No. 2811

The purpose and intent of this measure is to update chapter 329, Hawaii Revised Statutes, the Uniform Controlled Substances Act, to be consistent with federal law by allowing properly registered practitioners to prescribe drugs, including buprenorphine and naloxone, to patients undergoing medically managed withdrawal, provided that the practitioner complies with specific requirements.

Your Committee received testimony in support of this measure from the Department of Public Safety, Hawaii Substance Abuse Coalition, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that this measure will bring Hawaii law into conformity with federal law and permit registered medical practitioners to prescribe drugs, including buprenorphine and naloxone, for purposes of medically managed withdrawal. While assisting those in need of treatment for substance abuse, this measure also assists in the enforcement of drug laws and the prevention of drug abuse and diversion in the State.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2811, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2639 Judiciary on S.B. No. 2812

The purpose and intent of this measure is to update chapter 329, Hawaii Revised Statutes (HRS), the Uniform Controlled Substances Act, to be consistent with amendments to the federal Controlled Substances Act, as required under section 329-11, HRS.

Your Committee received testimony in support of this measure from the Department of Public Safety.

Your Committee finds that each year the federal Controlled Substances Act is updated to stay current with the appropriate scheduling of new substances. As a result, the Hawaii Uniform Controlled Substance Act also needs to be updated in order to stay current with the federal Controlled Substances Act. Changing this state law will ease enforcement and reduce confusion as to the scheduling of controlled substances in the State and eliminate any differences between the federal and state law.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2812, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2640 (Joint) Economic Development, Tourism, and Technology and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2753

The purpose and intent of this measure is to clarify the power of the Small Business Regulatory Review Board (Board) when reviewing state and county administrative rules that impact small businesses.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Small Business Regulatory Review Board; Chamber of Commerce Hawaii; Hawaii Business League; Hawaii Farm Bureau; and one individual.

Your Committees find that this measure will clarify the powers of the Board in order to increase the Board's effectiveness in supporting small businesses in Hawaii. Your Committees further find that it is important to explicitly define the Board's authority to ensure that the small business community, state and county agencies, Hawaii business chambers, and trade organizations have a clear understanding of the purview of the Board to avoid any misinterpretations.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2753 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Thielen).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Ihara, Thielen).

SCRep. 2641 (Joint) Education and Commerce, Consumer Protection, and Health on S.B. No. 2925

The purpose and intent of this measure is to:

- (1) Clarify the scope of licensure for individuals engaged in the practice of behavior analysis in a school setting; and
- (2) Broaden the licensing exemption for direct support workers who provide behavior analysis services in schools.

Your Committees received testimony in support of this measure from the Department of Education; Hawai'i Psychological Association; Hawai'i Association for Behavior Analysis; Alaka'i Na Keiki, Inc.; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; National Association of Social Workers, Hawai'i Chapter; and numerous individuals. Your Committees received testimony in opposition to this measure from the Hawaii State Teachers Association; Hawaii Disability Rights Center; Aloha Behavioral Associates, LLC; and two individuals. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs Regulated Industries Complaint Office and Department of Commerce and Consumer Affairs Professional and Vocational Licensing Division.

Your Committees find that behavior analysis is the scientific study of principles of learning and behavior. The practice of behavior analysis includes the empirical identification of functional relations between behavior and environmental factors, as well as the use of

contextual factors, motivating operations, antecedent stimuli, positive reinforcement, and other consequences to help individuals develop new behaviors, increase or decrease existing behaviors, and display behaviors under specific environmental conditions.

Your Committees further find that it is important to support students' access to appropriately licensed and qualified behavior analysts in the Department of Education setting. Despite efforts by the Department of Education in the past to provide the appropriate services for students with autism spectrum disorder, some students and their families are still not receiving behavior analysis services. Your Committees believe that it is important to ensure that the Department of Education creates and implements a plan to provide Medicaid billable applied behavior analysis services to all students with autism spectrum disorder within the Department.

As such, your Committees have amended this measure by:

- (1) Amending the preamble to reflect the definition of behavior analysis and the legislative history of behavior analysis regulation in the State;
- (2) Deleting language that would have established a new section in chapter 465D, Hawaii Revised Statutes, related to the practice of behavior analysis in a school setting and licensing requirements;
- (3) Inserting language that exempts a direct support worker who provides autism treatment services pursuant to an individualized education plan and is under the direction of a licensed psychologist from chapter 465, Hawaii Revised Statutes;
- (4) Deleting language that would have exempted an individual working within the scope of practice or duties of another licensed profession that overlaps with the practice of behavior analysis from licensing requirements for providing behavior analysis services pursuant to chapter 465D, Hawaii Revised Statutes;
- (5) Inserting language that exempts the following individuals from licensing requirements for providing behavior analysis services pursuant to chapter 465D, Hawaii Revised Statutes:
 - (A) An individual licensed in the State who practices other professions and their supervisees, under certain circumstances;
 - (B) An individual licensed in the State who practices psychology and their supervisees, under certain circumstances;
 - (C) A licensed classroom teacher, or someone who is working as a classroom teacher and is enrolled in a teacher preparation program working toward licensure, in a school setting, under certain conditions; and
 - (D) An individual who designs or implements behavior analysis services to participants in the Medicaid home and community-based service waiver program on or before January 1, 2024;
- (6) Clarifying provisions that exempt an individual from licensing requirements for providing behavior analysis services pursuant to chapter 465D, Hawaii Revised Statutes, who directly implements and does not design behavior analysis services, including an individual who works within the scope of practice, is directly supervised by a licensed psychologist, and does not use the title of "licensed behavior analyst";
- (7) Clarifying the definition of "direct support worker" to mean a paraprofessional;
- (8) Clarifying provisions that would exempt a family member, legal guardian, or caregiver implementing a behavior analysis plan and who acts under the direction of a licensed behavior analyst from licensing requirements pursuant to chapter 465D, Hawaii Revised Statutes;
- (9) Inserting a definition for "caregiver" as it relates to the implementation of a behavior analysis plan under the direction of a licensed behavior analyst;
- (10) Inserting language that requires the Department of Education to create an implementation plan for the delivery of a Medicaid billable applied behavior analysis to all students diagnosed with autism spectrum disorder within the Department, including reporting requirements; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2925, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2925, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 5. Noes, none. Excused, none.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2642 (Joint) Ways and Means and Judiciary on S.B. No. 2508

The purpose and intent of this measure is to improve the collection of taxes by creating a nexus standard for taxing businesses domiciled outside the State on their business activities in Hawaii.

Your Committees received testimony in support of this measure from the Retail Merchants of Hawaii.

Your Committees received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committees find that local businesses are required to collect and remit the general excise tax on goods and services sold to consumers in Hawaii. However, businesses located outside the State are not required to collect this tax when they sell goods to Hawaii residents, which places local businesses at a disadvantage by effectively making goods sold by local businesses more expensive. Your Committees believe that this measure will foster fairness in competition by requiring certain out-of-state businesses to collect and remit state taxes.

Your Committees have amended this measure by:

- (1) Limiting application of the measure to the general excise tax, rather than to all state taxes;
- (2) Amending the measure so that it applies to “persons lacking physical presence in the State”, rather than “businesses domiciled outside the State”;
- (3) Clarifying the time period to be used when determining if a person is engaging in business in the State;
- (4) Deleting provisions that would have authorized the remitting of taxes on a basis other than monthly;
- (5) Establishing a threshold of \$100,000 of gross income from in-state sales for determining if a person is engaging in business in the State; and
- (6) Deleting all instances of the term “entity”.

As affirmed by the records of votes of the members of your Committees on Ways and Means and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2508, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2508, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Ways and Means: Ayes, 8. Noes, none. Excused, 3 (Kahale, Shimabukuro, Wakai).

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Kim).

SCRep. 2643 Judiciary on S.B. No. 2851

The purpose and intent of this measure is to amend various provisions of the Hawaii Revised Statutes and the Session Laws of Hawaii for the purposes of correcting errors and references, clarifying language, and deleting obsolete or unnecessary provisions.

Your Committee received testimony in support of this measure from the Legislative Reference Bureau. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that this statutory revision measure is submitted by the Legislative Reference Bureau pursuant to chapter 23G, Hawaii Revised Statutes. All of the statutory amendments proposed by this measure are intended to be technical in nature to correct errors, omissions, or obsolete laws. Your Committee also notes that this measure was reviewed by the Attorney General prior to its submission to the Legislature. A memorandum explaining the proposed amendments was submitted as part of the testimony of the Legislative Reference Bureau.

Your Committee notes that the Tax Foundation of Hawaii recommended in its comments a number of technical nonsubstantive amendments. Accordingly, your Committee has adopted the recommendations of the Tax Foundation of Hawaii and amended this measure by:

- (1) Amending section 235-110.7(a), Hawaii Revised Statutes, by repealing language relating to capital goods excise tax credit rates for calendar years prior to 2010;
- (2) Adding a new section to the measure amending the definition “financial corporation” in section 241-1, Hawaii Revised Statutes, by updating references to federal law;
- (3) Amending section 241-2(a) and (b), Hawaii Revised Statutes, by updating references to federal law;
- (4) Making technical nonsubstantive amendments for purposes of consistency and clarity; and
- (5) Changing the effective date to July 1, 2035, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2851, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2851, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2644 (Joint) Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs and Agriculture and Environment on S.B. No. 2524

The purpose and intent of this measure is to:

- (1) Require condominium property regimes to comply with county subdivision requirements;
- (2) Permit the Real Estate Commission to adopt rules that require a developer to seek county council approval for significant projects; and
- (3) Require agricultural lands that are subdivided and leased for agricultural uses or activities to comply with county subdivision standards.

Your Committees received testimony in support of this measure from the City and County of Honolulu Department of Planning and Permitting. Your Committees received testimony in opposition to this measure from the Hawaii Cattlemen’s Council, Inc.; and eight individuals. Your Committees received comments on this measure from the Department of Agriculture, Real Estate Commission, Office of Planning, and Hawai’i Association of REALTORS.

Your Committees find that expanded development of agricultural lands through the existing condominium property regime process may impact the long-term viability of these newly developed condominiums, as master planning is absent, particularly with respect to

supporting county infrastructure. Since existing laws require that condominium property regimes comply with county zoning but not county subdivision requirements, the counties lack an opportunity to review proposed developments, which may inhibit a county's ability to plan, regulate, and enforce its agricultural plans, goals, and infrastructure services.

Your Committees further find that this measure therefore allows county participation in the condominium property regime process, which will ensure availability of necessary supportive infrastructure and the identification of potential negative impacts to environmentally important or culturally significant resources, prior to the piecemeal sale of the property.

Your Committees have amended this measure by:

- (1) Clarifying that all condominium property regimes are required to comply with county subdivision or equivalent requirements and all county permitting requirements, to ensure conformance with county zoning, subdivision, and development ordinances and rules;
- (2) Clarifying that the counties may adopt supplemental ordinances governing condominium property regimes;
- (3) Deleting language that would have allowed the Real Estate Commission to adopt rules to require a developer to seek county council approval for significant condominium projects;
- (4) Requiring an application for registration of a condominium project in a county agricultural zoning district or preservation zoning district to include a verified statement, signed by an appropriate county official, that the project is in compliance with any supplemental county ordinances, county subdivision standards, and other rules;
- (5) Specifying that the Real Estate Commission shall not process any incomplete application and shall return an incomplete application to the developer; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health, Public Safety, Intergovernmental, and Military Affairs, and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2524, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2524, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Tokuda).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Ihara, Thielen).

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Riviere, Ruderman).

SCRep. 2645 Commerce, Consumer Protection, and Health on S.B. No. 2243

The purpose and intent of this measure is to prohibit motor vehicle insurers from charging insureds an additional fee for repairs made with original equipment manufacturer parts if the vehicle manufacturer recommends original equipment manufacturer parts.

Your Committee received testimony in support of this measure from Kraftsman Auto Body, Automotive Body and Painting Association of Hawaii, Tony Group Collision Center, Hawaii Automobile Dealers' Association, and eleven individuals. Your Committee received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs, National Association of Mutual Insurance Companies, Property Casualty Insurers Association of America, Hawaii Insurers Council, GEICO, and LKQ Corporation. Your Committee received comments on this measure from State Farm Mutual Automobile Insurance Company and one individual.

Your Committee finds that crash parts are those motor vehicle replacement parts that constitute the visible exterior of the vehicle and that are repaired or replaced as a result of a motor vehicle collision. Your Committee further finds that existing law requires insureds and claimants to pay the difference between the cost of cheaper aftermarket crash parts and the original equipment manufacturer's crash parts. According to testimony received by your Committee, crash parts were originally cosmetic in design, so it was reasonable to use cheaper aftermarket crash parts that fit and looked like the original equipment manufacturer crash parts. However, for today's newer motor vehicles, many crash parts are no longer merely cosmetic and are engineered and crash tested as part of a complex safety system.

Your Committee additionally finds that when a vehicle is involved in a collision and repairs are required, the best way to ensure that the vehicle will retain and fulfill all crash requirements is to follow original equipment manufacturer repair standards and use only new, original manufacturer crash parts. Your Committee notes that original manufacturer crash parts are subjected to rigorous crash tests by motor vehicle manufacturers' internal departments, government agencies, and independent organizations that conduct additional crash assessment tests.

Furthermore, according to testimony received by your Committee, original equipment manufacturers of motor vehicles use many different types of materials and joining methods during production of a body shell for a motor vehicle. These materials work in unison with the rest of the vehicle to deliver the level of safety, driving performance, and appearance expected for the product. However, it cannot always be confirmed that equivalent materials are used to produce aftermarket crash parts.

Your Committee has amended this measure by:

- (1) Clarifying that insured consumers must be offered a choice of a like kind and quality crash part of an equal or better quality than the original equipment manufacturer crash part;
- (2) Specifying that an insured consumer who chooses the use of an original equipment manufacturer crash part that affects the insured consumer's crash avoidance or safety systems shall not be required to pay the additional cost for repairs using that original equipment manufacturer crash part;

- (2) Clarifying that an insured consumer, rather than an insured or claimant, is required to pay the additional cost for repairs that use original equipment manufacturer crash parts that do not affect an insured consumer's crash avoidance or safety systems, unless the vehicle manufacturer's warranty has required that original equipment manufacturer crash parts be used in the repair or if the use of a like kind and quality crash part would void an existing manufacturer's warranty or the insured consumer's vehicle lease agreement;
- (3) Requiring like kind and quality crash parts to carry a guarantee in writing regarding the quality and equivalent performance in a vehicle's crash avoidance and safety systems of the like kind and quality crash parts;
- (4) Requiring a repair provider to provide an insured consumer with the costs for the original equipment manufacturer crash part and the like kind and quality crash part for any authorized collision repair, including the cost markup for each crash part;
- (5) Specifying that the requirements for crash parts apply to vehicles that are five years old or newer, as of the date of the collision;
- (6) Clarifying that "like kind and quality" means having an equal or better quality than the original equipment manufacturer crash part and performing at least as well as the original equipment manufacturer crash part in a crash avoidance and safety system test;
- (7) Inserting an effective date of July 1, 2050, to encourage further discussion;
- (8) Inserting a sunset date of July 1, 2023; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that this amended measure ensures that an insured consumer who wishes to have a vehicle repaired, after a collision, with an original equipment manufacturer crash part that affects the vehicle's crash avoidance or safety systems cannot be charged an additional cost for repairs made with that original equipment manufacturer crash part.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2243, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2243, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2646 Commerce, Consumer Protection, and Health on S.B. No. 2490

The purpose and intent of this measure is to:

- (1) Authorize a license holder to engage in business at motor vehicle dealer locations that are affiliated by common ownership under the same license;
- (2) Specify certain recall reimbursement or repair requirements for manufacturers where a stop-sale, or do-not-drive, order has been issued;
- (3) Clarify when certain manufacturer's or distributor's sales or performance standards shall be deemed unreasonable, arbitrary, or unfair; and
- (4) Prohibit a manufacturer or distributor from requiring a dealer to perform certain construction or renovations to the dealer's facilities; purchase items for a dealership facility in certain circumstances; or provide certain information related to customer information, unless certain conditions are met.

Your Committee received testimony in support of this measure from the Hawaii Automobile Dealers' Association. Your Committee received testimony in opposition to this measure from the Alliance of Automobile Manufacturers, Insurance Auto Auctions, and Global Automakers. Your Committee received comments on this measure from the Motor Vehicle Industry Licensing Board.

Your Committee finds that this measure is intended to modernize the State's motor vehicle industry licensing laws by: allowing a licensed motor vehicle dealer to engage in business at multiple locations affiliated by common ownership within the same county; specifies recall reimbursement or repair requirements for manufacturers where a stop-sale order has been issued; and clarifies the rights and obligations of dealers, manufacturers, and distributors with respect to improvements and upgrades on dealers' facilities, dealers' sales and performance standards, and access to dealers' business information.

Your Committee further finds that interested stakeholders, including the Hawaii Automobile Dealers' Association and Alliance of Automobile Manufacturers, have engaged in discussions regarding this measure. Your Committee therefore finds that amendments to this measure, to incorporate the preliminary consensus language reached by interested stakeholders, are necessary.

Accordingly, your Committee has amended this measure by:

- (1) Establishing requirements for used vehicle recalls pursuant to a stop-sale order as a new section in the Motor Vehicle Industry Licensing Act, rather than including these requirements under the existing section on prohibited acts, and further clarifying used vehicle recall requirements by:
 - (A) Amending and clarifying the method of calculating the amount that a dealer is to be compensated for the value of a recalled vehicle;
 - (B) Clarifying the determination of the value of a used vehicle;
 - (C) Clarifying the applicability of the used vehicle recall requirements;

- (D) Clarifying that a manufacturer is prohibited from taking certain actions against a dealer solely because the new motor vehicle dealer has submitted a recall reimbursement claim;
 - (E) Clarifying the limitations and requirements that recall reimbursement claims or compensation shall be subjected to;
 - (F) Specifying that a manufacturer is not required to provide total compensation to a dealer in excess of the total average trade-in value of an affected used motor vehicle;
 - (G) Specifying that any remedy provided to a dealer is exclusive; and
 - (H) Clarifying the definition of "stop-sale order";
- (2) Requiring each motor vehicle dealer location affiliated by common ownership to obtain prior approval from the Motor Vehicle Industry Licensing Board before transferring salespersons between dealer locations;
 - (3) Clarifying the definition of "common ownership";
 - (4) Clarifying certain prohibitions against a manufacturer or distributor requiring a dealer to perform certain substantial construction, renovation, or alterations to the dealer's facilities;
 - (5) Clarifying when manufacturer's or distributor's sales or service performance standards shall be deemed unreasonable, arbitrary, or unfair and clarifying the material and relevant local market factors to be used when determining a sales or service performance standard;
 - (6) Clarifying that the approval for substantially similar goods, building materials, or services for a dealership facility shall not be unreasonably withheld or unreasonably delayed by a manufacturer or distributor;
 - (7) Inserting an effective date of July 1, 2050, to encourage further discussion; and
 - (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that this amended measure remains a work in progress. Your Committee also notes the interested stakeholders have indicated to your Committee that they remain engaged in discussions regarding certain aspects of this measure. Your Committee appreciates these efforts to reach a consensus and acknowledges that additional amendments to this amended measure may be needed as it moves through the legislative process.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2490, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2490, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 2647 Commerce, Consumer Protection, and Health on S.B. No. 3064

The purpose and intent of this measure is to prohibit public utilities from installing a new utility pole within ten feet of an existing utility pole, unless the original utility pole will be removed within ninety days of installing the new utility pole.

Your Committee received testimony in support of this measure from The Outdoor Circle and forty-one individuals. Your Committee received testimony in opposition to this measure from the Hawaiian Electric Company, Inc. and Hawaiian Telcom.

Your Committee finds that when new utility poles are installed adjacent to an existing utility pole, the original pole is often left in place. This results in what is sometimes referred to as double poles. According to testimony received by your Committee, the creation of double poles that remain after ninety days is generally due to the installation of a new utility pole by the utility and the subsequent delay by the joint pole owner in removing that joint pole owner's equipment and the old pole. Your Committee further finds that this measure addresses the situation of double poles by prohibiting public utilities from installing a new utility pole within ten feet of an existing utility pole, unless the original utility pole will be removed within ninety days of installing the new utility pole.

However, your Committee has heard the concerns that this measure does not address the level of coordination required between multiple joint pole owners, the complexity of equipment transfers, and the nuances associated with utility pole removal. Your Committee understands these concerns and notes that the standards and procedures for equipment transfers, pole removal, and new replacement pole acceptance are controlled under the existing joint pole agreements for joint pole owners and by formal signed agreements between third party attachers and joint pole owners. Your Committee has also heard the concerns that this measure places the burden on the electric utilities for old pole removal. However, according to testimony received by your Committee, the existing joint pole agreements do not permit electric utilities to relocate or transfer certain joint owner or third party equipment.

Your Committee further finds that the Hawaiian Electric Company and Hawaiian Telcom indicated to your Committee that they have recently entered into a memorandum of understanding to jointly address the double pole situation. Your Committee notes that since many of the poles are in the public right of way, new joint pole agreements are required to be submitted to the Public Utilities Commission for review and authorization. The filing of an application with the Public Utilities Commission, which seeks approval of several agreements relating to electric utility distribution pole attachments by joint owners and sub-attaching third parties on jointly-owned electric distribution poles, is imminent. Your Committee concludes that amendments to this measure are necessary, in light of these pending actions.

Accordingly, your Committee has amended this measure by:

- (1) Requesting immediate, favorable action by the Public Utilities Commission once the application for new joint pole agreements has been submitted;

- (2) Requiring a report from the Public Utilities Commission to the Legislature, through the Chairs of the Senate Committee on Commerce, Consumer Protection, and Health and House Committee on Consumer Protection and Commerce, once the new joint pole agreements have been approved;
- (3) Requiring a preliminary report from the parties to the application, including a status update and timeline for completion, to be submitted to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019;
- (4) Requiring a final report from the parties to the application to be submitted to the Legislature no later than twenty days prior to the convening of the Regular Session of 2020;
- (5) Deleting language that would have prohibited public utilities from installing a new utility pole within ten feet of an existing utility pole, unless the original utility pole was removed within ninety days of installing the new utility pole; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3064, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3064, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Tokuda).

SCRep. 2648 Commerce, Consumer Protection, and Health on S.B. No. 2646

The purpose and intent of this measure is to reduce public access to potentially addictive substances by requiring prescribers to consult the state Electronic Prescription Accountability System, also known as the Hawaii Prescription Drug Monitoring Program, or PDMP, before issuing a prescription for Schedule II, III, or IV controlled substances.

Your Committee received testimony in support of this measure from the Department of Public Safety, Hawaii Medical Service Association, and Hawaii Substance Abuse Coalition. Your Committee received testimony in opposition to this measure from the Hawaii Medical Association, Hawaii Emergency Physicians Associated, Hawaii American College of Emergency Physicians, The Emergency Group, and one individual. Your Committee received comments on this measure from the Department of Health, Hawaii Society of Clinical Oncology and American Society of Clinical Oncology, and Drug Policy Forum of Hawaii.

Your Committee finds that certain prescribers of controlled substances are required to register with the Department of Public Safety to use the PDMP and are required to report information relevant to the dispensation of any controlled substance before dispensation. However, your Committee finds that prescribers are not required to consult the PDMP before writing a prescription. Your Committee also finds that drug overdose rates have increased catastrophically in Hawaii, and that requiring prescribers to consult the PDMP may reduce access to potentially addictive substances.

Your Committee has heard the concerns of the Hawaii American College of Emergency Physicians and Hawaii Emergency Physicians Associated with respect to the non-delegable burdens that this measure would place upon emergency room physicians and other emergency medical providers and the delays in treatment that this would inflict upon emergency room patients, who are often in acute need of treatment. Your Committee finds that an exemption for short-term prescriptions issued by emergency medical providers will address these concerns without affecting the intent of this measure.

Your Committee has also heard the concerns of the Hawaii Medical Association to the effect that a violation under this section will constitute a felony, and that a felony conviction would permanently bar a physician or advanced practice registered nurse from practice in the State. Your Committee finds that permanently barring a physician or advanced practice registered nurse from practice for a single administrative error is not good public policy given the existing shortage of medical personnel in the State. Your Committee finds that the violations proposed by this measure are best policed by the appropriate licensing boards, which are the bodies best able to determine the appropriateness of a sanction.

Your Committee is also aware of the concerns raised with respect to the reliability and functionality of the PDMP but notes that it is not within your Committee's purview to appropriate funds to upgrade and improve the PDMP. Your Committee has also heard other concerns raised by other testifiers, including the Department of Health, Hawaii Society of Clinical Oncology, and Drug Policy Forum of Hawaii, and believes that further discussion of this measure is warranted.

Your Committee has amended this measure by:

- (1) Providing exemptions from the PDMP consultation requirement for prescriptions with a duration of three days or less written in emergency situations, by emergency medical providers, or in emergency rooms and for prescriptions written when the electronic prescription accountability system is unavailable;
- (2) Providing that a violation of the PDMP consultation requirement shall not be subject to the penalty provisions of part IV of chapter 329, Hawaii Revised Statutes, but that violations may result in disciplinary action under section 453-8 or 457-12, Hawaii Revised Statutes, as appropriate;
- (3) Adding a sunset date of June 30, 2023;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2646, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2646, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2649 Ways and Means on S.B. No. 2821

The purpose and intent of this measure is to conform Hawaii's income and estate and generation-skipping transfer tax laws to the Internal Revenue Code of 1986, as amended as of December 31, 2017.

Your Committee received testimony in support of this measure from the Department of Taxation and one individual.

Your Committee received testimony in opposition to this measure from the Civic Education Council, Hawaii Appleseed Center for Law & Economic Justice, Hawaiian Community Assets, Young Progressives Demanding Action — Hawaii, and nine individuals.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that this annual conformity measure is submitted by the Department of Taxation in compliance with section 235-2.5, Hawaii Revised Statutes, which requires the department to annually submit a measure to maintain state income tax conformity with the federal Internal Revenue Code. This measure is also intended to comply with section 236E-4, Hawaii Revised Statutes, which requires the department to annually submit a measure to maintain state estate and generation-skipping transfer tax conformity with the federal Internal Revenue Code. The purpose of conformity is to update the state tax laws with those changes made to the federal Internal Revenue Code during the past year and to adopt those changes that are appropriate for Hawaii law.

However, your Committee believes that although close conformance of the Hawaii Revised Statutes to the Internal Revenue Code is normally recommended to ease the administration of state taxes, in light of multiple changes that have recently come into effect at the federal level, it is appropriate that the Hawaii Revised Statutes not conform with a number of provisions of the Internal Revenue Code.

More specifically, your Committee finds that provisions of the federal Bipartisan Budget Act of 2015, P.L. 114-74, that became effective for taxable years beginning after December 31, 2017, have affected the manner in which partnerships are audited. Your Committee finds that although conforming the Hawaii Revised Statutes to the substance of these new auditing standards is appropriate, the Department of Taxation should be allowed to maintain its own timing and administrative provisions.

Furthermore, the federal Tax Cuts and Jobs Act, P.L. 115-97, enacted on December 22, 2017, made extensive changes to individual income taxes, corporate income taxes, and the estate tax. Your Committee believes that it is important to maintain current state law in numerous key areas. For example, the State's current allowance of individual itemized deductions should be maintained to ensure that individual taxpayers are not burdened with increased income tax obligations. Your Committee also believes that, in light of Hawaii's corporate tax structure and rates, it is not appropriate to conform to the Internal Revenue Code's twenty percent tax rate for pass-through entities.

Your Committee also finds that it is appropriate for the State to decline to conform state estate and generation-skipping transfer tax law to recent changes to federal law.

Accordingly, your Committee has amended this measure by:

- (1) Further amending section 235-2.3, Hawaii Revised Statutes, to specify that the following provisions of the Internal Revenue Code are not operative for state income tax purposes:
 - (A) Section 91, with respect to certain foreign branch losses;
 - (B) Section 199A, with respect to the deduction for qualified business income;
 - (C) Section 250, with respect to foreign-derived intangible income and global intangible low-taxed income;
 - (D) Section 267A, with respect to certain related party amounts paid or accrued in hybrid transactions or with hybrid entities; and
 - (E) Subchapter Z (sections 1400Z-1 to 1400Z-2), with respect to opportunity zones;
- (2) Amending section 235-2.4, Hawaii Revised Statutes, by:
 - (A) Specifying that section 67 of the Internal Revenue Code, with respect to the two percent floor on miscellaneous itemized deductions, shall be operative for state income tax purposes, except that the suspension in section 67(g) shall not be operative;
 - (B) Inserting a proviso that specifies that the suspension in section 68(f) of the Internal Revenue Code shall not be operative for state income tax purposes;
 - (C) Repealing an existing proviso that specifies that the provision in section 132(f)(2) of the Internal Revenue Code that equalizes the dollar amounts for section 132(f)(2)(A) and (B) regarding qualified transportation fringe benefits shall not be operative for state income tax purposes;
 - (D) Inserting a proviso that specifies that the suspensions in section 132(f)(8) and 132(g)(2) of the Internal Revenue Code shall not be operative for state income tax purposes;
 - (E) Inserting a proviso that specifies that section 163(h)(3)(F) of the Internal Revenue Code, which inserts limits relating to mortgage interest, shall not be operative for state income tax purposes;
 - (F) Repealing a reference to a repealed provision of section 164(a) of the Internal Revenue Code;
 - (G) Inserting a proviso that specifies that section 164(b)(6)(B) of the Internal Revenue Code, which limits the deduction for state and local taxes, shall not be operative for state income tax purposes;

- (H) Inserting a proviso that specifies that section 165(h)(5) of the Internal Revenue Code, which inserts limits relating to federally declared disasters, shall not be operative for state income tax purposes;
 - (I) Specifying that section 217 of the Internal Revenue Code, with respect to moving expenses, shall be operative for state income tax purposes, except that the suspension in section 217(k) shall not be operative; and
 - (J) Specifying that section 274 of the Internal Revenue Code, with respect to the disallowance of certain expenses, shall be operative for state income tax purposes, but in the form in which that section existed as of December 21, 2017;
- (3) Amending section 235-2.45, Hawaii Revised Statutes, by:
- (A) Repealing the existing proviso that renders certain provisions of section 1374 of the Internal Revenue Code, which relates to certain built-in gains, inoperative for state income tax purposes;
 - (B) Inserting a proviso that specifies that if a partnership elects the opt-out provision under section 6221(b) of the Internal Revenue Code for federal income tax purposes, that partnership shall also make the same election for Hawaii income tax purposes;
 - (C) Specifying that sections 6223, 6225, and 6226 of the Internal Revenue Code, with respect to partnership audits, shall be operative for state income tax purposes;
 - (D) Repealing existing language that makes operative for state income tax purposes section 6231 of the Internal Revenue Code, which addresses definitions and special rules relating to tax treatment of partnership items;
 - (E) Repealing existing language that makes operative for state income tax purposes sections 6240 and 6242 to 6255 of the Internal Revenue Code, which address simplified audit procedures for electing large partnerships; and
 - (F) Inserting a proviso that specifies that certain definitions listed in section 6241 of the Internal Revenue Code, with respect to consistency between a partner's return and the partnership's return, shall not be operative for state income tax purposes;
- (4) Limiting the application of the Internal Revenue Code to state tax law to the version of the Internal Revenue Code as amended as of December 31, 2017, for:
- (A) The definition of "applicable generation-skipping transfer tax rate" in section 236E-2, Hawaii Revised Statutes; and
 - (B) The applicable exclusion amounts for Hawaii taxable estates, as calculated pursuant to section 236E-6, Hawaii Revised Statutes;
- (5) Making amendments to sections 236E-8, 236E-9, 236E-11, 236E-17, and 236E-21, Hawaii Revised Statutes, to make a taxpayer's obligation to file returns and make payments under the state estate and generation-skipping transfer tax law independent of the taxpayer's obligation to file returns and make payments under corresponding federal law;
- (6) Making the amendments to sections 235-2.4 and 235-2.45, Hawaii Revised Statutes, applicable to taxable years beginning after December 31, 2017;
- (7) Making the amendments to sections 236E-2, 236E-6, 236E-8, 236E-9, 236E-11, 236E-17, and 236E-21, Hawaii Revised Statutes, applicable to decedents dying or taxable transfers occurring after December 31, 2017; and
- (8) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2821, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2821, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2650 Ways and Means on S.B. No. 2886

The purpose and intent of this measure is to clarify that certain appropriations made to the East Maui Water Systems in Act 119, Session Laws of Hawaii 2015, as amended by Act 124, Session Laws of Hawaii 2016, are in the public health, safety, and general welfare of the State.

Your Committee received testimony in support of this measure from the Department of Agriculture and Na Moku Aupuni O Koolau Hui.

Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that article VII, section 4 of the Constitution of the State of Hawaii allows for private appropriations made for a public purpose if the appropriation is for the public health, safety, and general welfare of the State. Your Committee recognizes that the East Maui Water Systems will not spend the appropriated moneys before July 1, 2018, thus requiring an appropriation of moneys for fiscal year 2018-2019.

Your Committee has amended this measure by deleting its contents and inserting an appropriation to the Department of Agriculture for plans, design, and construction of irrigation and water delivery systems in East Maui, as a capital improvement project.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2886, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2886, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2651 Ways and Means on S.B. No. 3029

The purpose and intent of this measure is to reduce or eliminate the income tax burden on Hawaii taxpayers who have the lowest incomes.

Your Committee received testimony in support of this measure from Americans for Democratic Action, Hawaii Applesseed Center for Law and Economic Justice, League of Women Voters of Hawaii, the Young Women's Christian Association of Oahu, Young Progressives Demanding Action, and sixteen individuals.

Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that Hawaii residents have the highest costs of living and housing in the nation, and many residents, even when employed, struggle to make ends meet. Your Committee recognizes that Hawaii is one of only fifteen states in the nation that impose an income tax on individuals at or below the poverty level. In contrast, most of the other states either provide a tax refund or impose no state income tax on the poorest of the poor.

Your Committee believes that it is appropriate to provide targeted tax relief to those with the lowest incomes in the State. However, your Committee believes that this measure requires further review and examination.

Accordingly, your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3029, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3029, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Inouye).

SCRep. 2652 (Majority) Ways and Means on S.B. No. 2843

The purpose and intent of this measure is to amend the tax rate on large cigars.

More specifically, the measure amends the current tax rate of fifty percent of the wholesale price of a large cigar to the lesser of fifty cents per cigar, or fifty percent of the cigar's wholesale price, on and after July 1, 2018.

Your Committee received testimony in support of this measure from the Cigar Association of America, Cigar Rights of America, Hawaii Cigar Association, Kauai Cigar Company, Mokuleia Cigar Company, and ten individuals.

Your Committee received testimony in opposition to this measure from the Department of Health, American Cancer Society Cancer Action Network, American Heart Association, Hawaii Public Health Association, Hawaii Public Health Institute, Kauai Community Health Improvement Initiative, Retail Merchants of Hawaii, and seventy-four individuals.

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that by capping the tax rate on large cigars, tobacco farmers, small-scale cigar producers, and specialty cigar retailers in the State will be able to compete more effectively with their out-of-state counterparts, given the significantly higher costs of production in, and shipping to, Hawaii. As a result, more consumers in the State will be encouraged to "buy local" rather than from online or mail-order sources, which in turn will support local agriculture, stimulate economic development, and keep potential tax revenues in the State.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2843, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2843, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, 2 (Harimoto, Riviere). Excused, 2 (English, Kahele).

SCRep. 2653 Ways and Means on S.B. No. 2514

The purpose and intent of this measure is to promote fairness in tax administration by subjecting any person selling tangible personal property, products transferred electronically, or services for delivery into the State to title 14, Hawaii Revised Statutes, and the general excise tax law; provided that in the previous or current calendar year:

- (1) The person has realized \$5,000 in gross revenue; or
- (2) The person has two hundred or more separate transactions.

Your Committee received testimony in support of this measure from the Retail Merchants of Hawaii.

Your Committee received testimony in opposition to this measure from one individual.

Your Committee received comments on this measure from the Department of the Attorney General, Department of Taxation, and Tax Foundation of Hawaii.

Your Committee finds that many businesses that maintain a physical presence in the State operate on narrow profit margins. These businesses are required to pay the general excise tax on goods sold and services provided at their locations. However, because online merchants are not required to collect the general excise tax on internet sales to customers in Hawaii, local brick-and-mortar stores are at a competitive disadvantage with online merchants. Your Committee finds that this measure will ensure fair competition among all businesses, regardless of location, that sell goods and services to residents of the State.

Your Committee has amended this measure by:

- (1) Limiting the application of the measure to the general excise tax law, rather than all taxes in title 14, Hawaii Revised Statutes;
- (2) Clarifying that, for purposes of determining whether a person is doing business in the State, a transaction will be evaluated on whether the intangible property or service is used or consumed in the State, rather than whether the intangible property or service is transferred or delivered in the State;
- (3) Changing from \$5,000 to \$100,000 the threshold of gross receipts or gross proceeds from sales that would qualify as engaging in business in the State; and
- (4) Removing provisions requiring persons meeting the thresholds provided by the measure to “follow all procedures and requirements of law”, and instead clarifying that these persons are engaging in business in the State for purposes of complying with the general excise tax law.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2514, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2514, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Kidani).

SCRep. 2654 Ways and Means on S.B. No. 192

The purpose and intent of this measure is to appropriate funds for the operating and capital improvement budget of the Executive Branch for fiscal years 2017-2018 and 2018-2019.

For purposes of a public hearing, your Committee circulated a proposed S.D. 1 (Proposed Draft) of the measure, and notified the public that your Committee would be accepting testimony on the Proposed Draft, which amends descriptions of the capital improvement projects related to a live stock feed mill and a waste stream recycling facility in the General Appropriations Act of 2015, as amended.

Your Committee received testimony in support of the Proposed Draft from the Department of Agriculture and Agribusiness Development Corporation.

Your Committee received comments on the Proposed Draft from the Department of the Attorney General.

Your Committee finds that these two appropriations will lapse on June 30, 2018. Instead of force-lapsing the moneys and then re-appropriating moneys for these projects in this year’s Supplemental Appropriations Act, your Committee believes that it would be more efficient to amend this measure to simply extend the lapse date for the projects.

Your Committee has amended this measure by:

- (1) Clarifying that the appropriations made by the measure are also in the public interest of the State;
- (2) Requiring the appropriations to lapse on June 30, 2019; and
- (3) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 192, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 192, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2655 Ways and Means on S.B. No. 2822

The purpose and intent of this measure is to authorize the Department of Taxation to require certain taxpayers to file tax returns electronically if the Department has provided an electronic filing option.

This measure also authorizes the Department of Taxation to impose a penalty for failure to file electronically and to waive the penalty if the failure is for reasonable cause.

Your Committee received testimony in support of this measure from the Department of Taxation and Transform Hawaii Government.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that authorizing the Department of Taxation to require certain taxpayers to file tax returns electronically will help to increase the overall efficiency of tax administration in the State.

Your Committee has amended this measure by:

- (1) Clarifying that the Department of Taxation's authority to require the electronic filing of tax returns applies only to certain specified categories of taxpayers, and that before requiring any electronic filing of tax returns, the Department shall provide no less than ninety days written notice to the general public of its intention to do so; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2822, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2822, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Kidani, Riviere, Shimabukuro).

SCRep. 2656 (Joint) Ways and Means and Economic Development, Tourism, and Technology on S.B. No. 2999

The purpose and intent of this measure is to improve the monitoring, enforcement, and collection of the transient accommodations tax, the general excise tax, and other state taxes and compliance with state and county land use laws.

More specifically:

- (1) Part I of the measure establishes a one-time amnesty program for certain delinquent tax obligations; and
- (2) Part II of the measure:
 - (A) Allows transient accommodations brokers to register as tax collection agents on behalf of their operators and plan managers;
 - (B) Requires registered tax collection agents to inquire with their operators and plan managers as to whether the transient accommodation is in compliance with all state and county land use laws;
 - (C) Requires an operator or plan manager to provide verification of compliance with state and county land use laws;
 - (D) Requires a transient accommodations broker to remove a transient accommodation advertisement if the operator or plan manager fails to provide verification of compliance with state and county land use laws or upon notice that the property is not in compliance with state law or county ordinance;
 - (E) Authorizes counties to disgorge profits obtained through unfair or unlawful business practices;
 - (F) Authorizes counties to adopt ordinances to amortize or phase out transient vacation rental units; and
 - (G) Allocates an unspecified percentage of general excise tax and transient accommodations tax revenues to the counties, contingent upon establishment of a process to provide verification of compliance by an operator or plan manager with county land use laws.

Your Committees received testimony in support of this measure from the Office of the Governor; Department of Budget and Finance; Department of Business, Economic Development, and Tourism; Department of Taxation; Hawaii Tourism Authority; Office of Hawaiian Affairs; Department of Planning and Permitting of the City and County of Honolulu; the Chairperson of the Hawaii County Council; County of Hawaii Planning Department; the Chairperson of the Maui County Council; County of Maui Department of Planning; a member of the Kauai County Council; County of Kauai Planning Department; AF3IRM Hawaii; American Hotel and Lodging Association; Friends Against Illegal Rentals; Hawaii Appleseed Center for Law and Economic Justice; Hawaii Lodging and Tourism Association; Hilton Hawaii; Keiko Conservation; Marriott International; Maui Hotel and Lodging Association; Maui Tomorrow Foundation; Napili Kai Beach Resort; Oahu Alternative Lodging Association; Outrigger Hotels Hawaii; UNITE HERE Local 5; Waikiki Improvement Association; Waikiki Resort Hotel; and thirty-two individuals.

Your Committees received testimony in opposition to this measure from Condominium Rentals Hawaii; Expedia, Inc.; Hawaii Association of REALTORS; Ice Hawaii LLC; Lokoea Farms; Rental by Owner Awareness Association; Kobayashi Sugita and Goda, LLP, on behalf of Airbnb; and one hundred-two individuals.

Your Committees received comments on this measure from the Mayor of the City and County of Honolulu; Airbnb; Tax Foundation of Hawaii; and nine individuals.

Your Committees believe that the issues of general tax amnesty and improving tax enforcement and compliance are too important to remain in a single legislative vehicle. Your Committees further believe that providing each issue with its own legislative vehicle will allow the Legislature to dedicate the attention needed to craft more effective legislation.

Accordingly, your Committees have amended this measure by:

- (1) Deleting Part II of the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the records of votes of the members of your Committees on Ways and Means and Economic Development, Tourism, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2999, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2999, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.
Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Inouye).

Economic Development, Tourism, and Technology: Ayes, 5. Noes, none. Excused, none.

SCRep. 2657 Ways and Means on S.B. No. 508

The purpose and intent of this measure is to provide tax relief to low-income and working-class families in the State.

More specifically, the measure establishes an income tax credit based on the federal earned income tax credit.

For purposes of a public hearing, your Committee circulated a proposed S.D. 1 (Proposed Draft) of the measure and notified the public that your Committee would be accepting testimony on the Proposed Draft that amends the measure by deleting the existing provisions and replaces its contents with provisions to increase the amount of taxes that must be withheld from the disposition of Hawaii real property by nonresidents from five percent of the amount realized to nine percent of the amount realized.

Your Committee received testimony in opposition to this measure from the Coalition for Equal Taxation.

Your Committee received comments on this measure from the Department of Taxation, Rental by Owner Awareness Association, and Tax Foundation of Hawaii.

Your Committee notes that an income tax credit based on the federal earned income tax credit was enacted by Act 107, Session Laws of Hawaii 2017, and codified as section 235-55.75, Hawaii Revised Statutes, thus making the measure, in its current form, unnecessary. Your Committee further notes that the Department of Taxation has projected that increasing the amount of taxes that must be withheld from the disposition of Hawaii real property by nonresidents in the manner set out in the Proposed Draft will generate for the State \$15,600,000 for fiscal year 2019 and \$4,600,000 for fiscal year 2020 and each fiscal year thereafter.

Your Committee has amended this measure by adopting the Proposed Draft.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 508, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 508, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2658 Ways and Means on S.B. No. 2415

The purpose and intent of this measure is to increase state revenues by increasing the conveyance tax rates for residential investment properties with a value of at least \$2,000,000.

Your Committee received testimony in support of this measure from IMUAlliance.

Your Committee received testimony in opposition to this measure from the Land Use Research Foundation of Hawaii and Hawaii Association of REALTORS.

Your Committee received comments on this measure from the Department of Taxation, Hawaii Housing Finance and Development Corporation, Tax Foundation of Hawaii, and General Contractors Association of Hawaii.

Your Committee finds that, according to projections by the Department of Taxation, this measure will generate an additional \$29,800,000 in revenue in fiscal year 2019 and \$32,500,000 in revenue for fiscal year 2020 and in subsequent years.

Your Committee has amended this measure by making technical nonsubstantive changes for consistency and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2415, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2415, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2659 (Majority) Ways and Means on S.B. No. 3067

The purpose and intent of this measure is to improve the collection of income taxes from nonresident shareholders of real estate investment trusts.

More specifically, this measure:

- (1) Requires that real estate investment trusts file returns reporting their shareholders' pro rata shares of income attributable to this State;
- (2) Requires the Department of Taxation to allow real estate investment trusts to file composite returns and make composite payments on behalf of their nonresident shareholders;
- (3) Authorizes the Department of Taxation to allow real estate investment trusts to file composite returns and make composite payments on behalf of their resident shareholders;
- (4) Requires real estate investment trusts to file with the Department of Taxation agreements obtained from their nonresident shareholders to file returns and pay taxes on their pro rata share of income attributable to the State; and
- (5) Requires real estate investment trusts to withhold taxes for shareholders who do not agree to file returns or pay taxes on their pro rata share of income attributable to the State.

Your Committee received testimony in support of this measure from Fergus and Company; Hawaii Appleseed Center for Law and Economic Justice; ILWU 142; Steiner and Associates; and twenty-eight individuals.

Your Committee received testimony in opposition to this measure from Alexander and Baldwin; Douglas Emmett, Inc.; GGP Inc.; Land Use Research Foundation of Hawaii; Nareit; Park Hotels and Resorts Inc.; and Public Storage.

Your Committee received comments on this measure from the Department of Taxation; Tax Foundation of Hawaii; and one individual.

Your Committee finds that a real estate investment trust is a corporation that owns income-producing real estate and that is required to distribute at least ninety percent of its taxable income in the form of dividends to its shareholders. Under federal and state tax law, a real estate investment trust is not taxed on income that it pays out as dividends. Rather, the shareholders of the real estate investment trust are taxed on the dividends they receive. Your Committee also finds that most shareholders of real estate investment trusts that own real estate in the State are not Hawaii residents and, therefore, pay taxes on their dividend income to states other than Hawaii.

Your Committee has amended this measure by:

- (1) Deleting provisions requiring the Department of Taxation to allow real estate investment trusts to file composite returns and make composite payments on behalf of their nonresident shareholders;
- (2) Deleting provisions requiring real estate investment trusts to obtain and file agreements from a nonresident shareholder or to withhold and pay to the State an amount equal to the taxes owed on the nonresident shareholder's pro rata share of income attributable to the State;
- (3) Adding provisions requiring real estate investment trusts to withhold and pay to the State a minimum tax on behalf of any shareholder, regardless of residency status, in an amount equal to five percent of the shareholder's pro rata share of income attributable to the State;
- (4) Adding a definition of the term "real estate investment trust shareholder";
- (5) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (6) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3067, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3067, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7; Ayes with Reservations (English, Harimoto, Kahele, Wakai). Noes, 3 (Galuteria, Inouye, Kidani). Excused, 1 (Shimabukuro).

SCRep. 2660 Ways and Means on S.B. No. 3079

The purpose and intent of this measure is to increase staff and resources for the Department of Public Safety's Sheriff Division on the island of Hawaii.

More specifically, this measure:

- (1) Establishes one full-time equivalent permanent lieutenant position in the Kona unit of the Sheriff Division within the Department of Public Safety; and
- (2) Appropriates funds for the initial six-month hiring period and for one-time costs for the purchase of position-related uniforms and equipment, with the condition that funds for the position be included and requested within the Department's base budget for subsequent years at a rate equivalent to the base salary for the position as determined by the Department.

Your Committee received testimony in support of this measure from the Department of Public Safety, Hawaii State Judiciary, and two individuals.

Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that the current level of staffing in the Sheriff Division on the island of Hawaii, particularly in the Kona unit, is inadequate for the Sheriff Division to properly perform its duties.

Your Committee notes that the Department of Public Safety requested an appropriation of \$46,319 for fiscal year 2018-2019 for the lieutenant position.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$46,319 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3079, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3079, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2661 Ways and Means on S.B. No. 2699

The purpose and intent of this measure is to clarify the treatment of resort fees under the transient accommodations tax.

More specifically, this measure specifies that resort fees, which are any mandatory charges or surcharges imposed for the use of a transient accommodation's property, services, or amenities, are included in the gross rental proceeds amount upon which the transient accommodations tax is calculated.

For purposes of a public hearing, your Committee circulated a proposed S.D. 1 (Proposed Draft) of the measure and notified the public that your Committee would be accepting testimony on the Proposed Draft that amends the measure by adding provisions to:

- (1) Rename "transient accommodations brokers" as "transient accommodations intermediaries" and include within the definition certain persons who market transient accommodations through wholesale travel companies and booking platforms, thereby making these entities subject to the transient accommodations tax;
- (2) Impose the transient accommodations tax on operators and transient accommodations intermediaries who arrange or book transient accommodations at noncommissioned negotiated contract rates;
- (3) Clarify that the transient accommodations tax liability shall be apportioned between an operator and transient accommodations intermediary with respect to that person's respective portion of the gross proceeds;
- (4) Clarify that fees unrelated to transient accommodations are exempt from the definition of "gross rental" or "gross rental proceeds";
- (5) Exempt from the definition of "gross rental" or "gross rental proceeds" the amount of transient accommodations taxes that are visibly passed on to the customer by a transient accommodations intermediary;
- (6) Require transient accommodations intermediaries who market transient accommodations through a travel agency at noncommissioned negotiated contract rates to register with the Director of Taxation and to pay a one-time \$15 fee; and
- (7) Requiring operators, transient accommodations intermediaries, and plan managers to register the name and physical address of each place of business in the State that is subject to the transient accommodations tax.

Your Committee received testimony in support of this measure from the Office of the Governor and Department of Taxation.

Your Committee received testimony in opposition to this measure from the Hawaii Tourism Authority, Aqua-Aston Hospitality, Hawaii Lodging and Tourism Association, Maui Hotel and Lodging Association, and one individual.

Your Committee received comments on this measure from the Department of the Attorney General and Tax Foundation of Hawaii.

Your Committee finds that, as transactions regarding the furnishing of transient accommodations are increasingly conducted over the Internet, a disparity in the tax treatment of certain entities involved in the furnishing of transient accommodations has arisen and resulted in the State not collecting the full amount of transient accommodations taxes from certain parties.

Your Committee has amended this measure by adopting the Proposed Draft and further amending the Proposed Draft by:

- (1) Requiring that transient accommodations intermediaries obtain prior consent from each of their operators and plan managers prior to registering their names and physical addresses with the Director of Taxation;
- (2) Clarifying that the transient accommodations tax applies to operators in all transactions, not only those in which transient accommodations are furnished at noncommissioned negotiated contract rates;
- (3) Clarifying that all transient accommodations intermediaries are required to register with the Director of Taxation, not only those that market transient accommodations through a travel agency;
- (4) Amending the definition of "transient accommodations intermediary" to clarify that a transient accommodations intermediary may be a travel agency, tour packager, or wholesale travel company, as opposed to a person who markets through a travel agency, tour packager, or wholesale tour company; and
- (5) Amending the definition of "resort fee" to include fees, regardless of whether or not they are mandatory.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2699, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2699, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11; Ayes with Reservations (Galuteria, Kahele, Kidani, Shimabukuro, Wakai). Noes, none. Excused, none.

SCRep. 2662 Ways and Means on S.B. No. 2693

The purpose and intent of this measure is to appropriate funds to plan for the Thirteenth Festival of Pacific Arts in 2020.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Tourism Authority; Kamehameha Schools; Mu'olaulani-Halau Hula Ka No'eau; Pacific Islanders in Communications; Pa'i Foundation; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Royal Hawaiian Center; and five individuals.

Your Committee finds that Hawaii, for the first time, has been selected to host the Festival of Pacific Arts in 2020, and that in order to prepare for the event, it is necessary to provide funds for the Temporary Commission on the Thirteenth Festival of Pacific Arts, as established by Act 104, Session Laws of Hawaii 2017.

Your Committee notes that the Department of Business, Economic Development, and Tourism projects \$21,700,000 in tax revenue directly associated with visitor spending associated with the Thirteenth Festival of Pacific Arts.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$1,500,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2693, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2693, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Kidani, Riviere, Shimabukuro).

SCRep. 2663 Judiciary on S.B. No. 2367

The purpose and intent of this measure is to require the Hawaii Labor Relations Board to deliver its decisions and orders by hand, United States Postal Service mail with delivery confirmation, or electronically.

Your Committee received testimony in support of this measure from the Hawaii Labor Relations Board. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that specifying the means by which the Hawaii Labor Relations Board may deliver decisions and orders and including the option of electronic distribution will promote office efficiency and reduce postage and labor costs for the State. Your Committee notes that the language specifying the means of delivery explicitly supersedes general provisions on decisions and orders by state agencies in the case of the Hawaii Labor Relations Board, so including a reference to the new language in the general provisions on decisions and orders by state agencies in section 91-12, Hawaii Revised Statutes, is superfluous.

Accordingly, your Committee has amended this measure by:

- (1) Removing section 2, which added an exemption for decisions and orders governed by the new language pertaining to the Hawaii Labor Relations Board to the general provisions on decisions and orders by state agencies in section 91-12, Hawaii Revised Statutes;
- (2) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2367, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2367, S.D. 2.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2664 Judiciary on S.B. No. 2782

The purpose and intent of this measure is to specify that certain government records that are maintained by the Department of Hawaiian Home Lands are not required to be disclosed to the public or open for inspection pursuant to public records requests.

Your Committee received testimony in support of this measure from the Department of Hawaiian Home Lands; Ho'omanapono Political Action Committee; and Ho'omana Pono, LLC. Your Committee received comments on this measure from the Office of Information Practices.

Your Committee finds that section 10-1-3(d), Hawaii Administrative Rules, requires that all "[p]ersonal data received or recorded by the department [of Hawaiian home lands] shall be held in absolute confidence and no release of information shall be made without written approval of the individual concerned". Despite this, the Department of Hawaiian Home Lands has received Uniform Information Practices Act requests for specific homestead application files and homestead lease files that include personal contact information, genealogies, finance and loan documents, succession forms, permission forms regarding the use of records in the file, and other correspondence. This measure ensures the privacy of personal data and records maintained by the Department of Hawaiian Home Lands and authorizes the Department to discuss those data and records in executive meetings.

Your Committee notes that this measure creates a new chapter of the Hawaii Revised Statutes that consists of a single section of new statutory language. Given the substantive provisions in this measure, it would be preferable to insert the new statutory language into part III of chapter 92F, Hawaii Revised Statutes, instead.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2782, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2782, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Kim, Thielen). Noes, none. Excused, none.

SCRep. 2665 Judiciary on S.B. No. 2784

The purpose and intent of this measure is to create an eviction process for the Hawaii Public Housing Authority's state low-income housing projects and elder or elderly housing.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that Act 114, Session Laws of Hawaii 2017 (Act 114), exempted state low-income housing directly controlled, owned, or managed by the Hawaii Public Housing Authority from the requirements of the residential landlord-tenant code under chapter 521, Hawaii Revised Statutes. Act 114 laid the foundation for an administrative eviction process that could lessen the caseload of the Judiciary and the Department of the Attorney General while preserving the due process rights of tenants. This measure establishes the procedures for that administrative eviction process for tenants in state low-income and elderly housing projects that is substantially similar to the eviction process for tenants in federal low-income public housing.

Your Committee notes concern that, as this measure currently exists, the Hawaii Public Housing Authority could conceivably appoint an eviction board that consists of a single tenant who would then conduct a hearing to determine cause of action on another tenant's eviction. Your Committee encourages further discussion as this measure progresses to foreclose the possibility of arbitrary results in eviction hearings.

Your Committee has amended this measure by:

- (1) Inserting a savings clause;
- (2) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2784, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2784, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Thielen). Noes, none. Excused, none.

SCRep. 2666 Judiciary on S.B. No. 2786

The purpose and intent of this measure is to:

- (1) Close to the public certain areas within a housing project under the jurisdiction of the Hawaii Public Housing Authority where signs are displayed that comply with certain requirements; and
- (2) Amend the offense of criminal trespass in the second degree to clarify when, under certain circumstances, a person commits the offense of entering or remaining unlawfully in or upon any area of a housing project that is closed to the public.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority.

Your Committee finds that one of the greatest concerns and priorities of the Hawaii Public Housing Authority is the safety and wellbeing of its tenants and staff. However, there have been a number of incidents occurring on housing project properties due to the presence of uninvited individuals, including unauthorized individuals entering onto public housing property and setting up tents in the middle of the property or causing property damage. Other cases have involved evicted tenants returning to the property to harass or intimidate their former neighbors. These acts create conflict among the tenants as well as staff. Accordingly, this measure provides the Hawaii Public Housing Authority with a tool to address and resolve these matters and to create a safer living environment for the community.

Your Committee has amended this measure by inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2786, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2786, S.D. 2.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2667 Judiciary on S.B. No. 2790

The purpose and intent of this measure is to amend the Child Protective Act, chapter 587A, Hawaii Revised Statutes (HRS), by repealing the existing section 587A-3, HRS, guiding principles for children in foster care, and incorporating that language into a new section, rights of children in foster care, which aligns with federal law and provides increased support and guidance for children in foster care.

Your Committee received testimony in support of this measure from the Judiciary; Department of the Attorney General; Department of Health; Department of Human Services; Department of Education; Hawaii Children's Action Network; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; EPIC 'Ohana, Inc.; Hawaii Youth Services Network; Catholic Charities Hawaii; Hale Opio Kauai; and fourteen individuals. Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that this measure codifies best practices that have been developed with significant input from foster children and former foster children, some of which have been applied by the Family Courts of the State of Hawaii. According to the testimony presented by the Department of Human Services, the new section proposed by this measure is based on section 587A-3, HRS, and aligns with Public Law 113-183, which requires the rights of a child age fourteen and older regarding education, health, visitation, and court participation to be documented in the child's case plan and requires a signed acknowledgment of the provision of these rights. The new section proposed by this measure also includes additional rights, such as culturally responsive services, requests for an attorney, and transportation to attend the school of origin. Your Committee notes concerns raised by the testimony of the Judiciary that, under the current language of this measure, there may not be sufficient time to gather all of the documents that a child aging out of foster care will require if the child enters the foster care system within six months of the child's eighteenth birthday.

Accordingly, your Committee has amended this measure by:

- (1) Requiring that a child in foster care who is seventeen years of age be provided with personal records and other specified documentation;
- (2) Specifying that a child's rights in foster care apply whenever possible;
- (3) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2790, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2790, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2668 Judiciary on S.B. No. 2863

The purpose and intent of this measure is to amend the offenses of property damage in the first, second, and third degrees to include damaging property holding cultural or historical significance to Native Hawaiians.

Your Committee received testimony in support of this measure from Ho'omanapono Political Action Committee; Ho'omana Pono, LLC; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and one individual. Your Committee received testimony in opposition to this measure from the Office of the Public Defender. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that the cultural and historic heritage of Native Hawaiians is among the State's important assets. A more fitting penalty is necessary for intentional damage to property that is culturally or historically significant to Native Hawaiians, such as the damage done to the 'Iolani Palace, statue of Prince Kūhiō, and King Kamehameha statue in the County of Hawai'i.

Your Committee expresses concerns that the definition of "property holding cultural or historical significance to Native Hawaiians" is vague and uncertain as to the specific property to which it applies. Additionally, categorizing damage to property holding cultural or historical significance to Native Hawaiians into degrees based on the monetary amount of damages is consistent with the existing offense of criminal property damage, but may not be appropriate in situations where the cultural or historical value of a piece of property is high but the pecuniary value of the property is low.

Accordingly, your Committee has amended this measure by:

- (1) Simplifying the legislative findings;
- (2) Changing the definition of "property holding cultural or historical significance to Native Hawaiians" to "property of another holding cultural or historical significance to Native Hawaiians" and making the designation of cultural or historical significance contingent on a determination of significance by experts in traditional Native Hawaiian customs and practices in the district where the property is located;
- (3) Establishing a new offense of criminal property damage to property of another holding historical significance to Native Hawaiians as a class C felony offense, instead of including it within the existing offenses of criminal property damage;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2863, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2863, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5; Ayes with Reservations (Thielen). Noes, none. Excused, none.

SCRep. 2669 Ways and Means on S.B. No. 2656

The purpose and intent of this measure is to authorize medication synchronization of a patient's prescriptions of maintenance medications refilled by a network pharmacy.

More specifically, this measure requires health insurers, mutual benefit societies, and health maintenance organizations, with a patient's request or agreement, to apply a prorated daily cost-sharing rate to prescriptions dispensed by a network pharmacy for less than a thirty days' supply.

Your Committee received written comments in support of this measure from the Department of Health, American Cancer Society Cancer Action Network, Hawaii Association of Professional Nurses, Walgreen Co., and eight concerned individuals.

Your Committee received written comments on this measure from the Department of Commerce and Consumer Affairs, Insurance Division, and Hawaii Medical Service Association.

Your Committee finds that medication synchronization allows a pharmacist to review a patient's medications and synchronize medication refills so that the patient may pick up all the patient's refills on a single day each month. Without medication synchronization, patients who require long-term maintenance medications are at risk of missing doses of their regular medications. Studies indicate that when medications are synchronized, medication adherence rates rise.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2656, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2656, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2670 Ways and Means on S.B. No. 2989

The purpose and intent of this measure is to address Hawaii's homelessness issue.

More specifically, this measure:

- (1) Expands the eligibility criteria and available credit amount for the low-income household renters' income tax credit, based on adjusted gross income and filing status;
- (2) Appropriates funds to the Department of Human Services for the continued administration of the family assessment center for homeless families; and
- (3) Appropriates funds to the Hawaii Public Housing Authority for the state rent supplement program to provide assistance through the establishment of a housing homeless children rental assistance pilot program.

Your Committee received written comments in support of this measure from the Governor's Coordinator on Homelessness, Hawaii Public Housing Authority, Catholic Charities Hawaii, Hawaii Appleseed Center for Law and Economic Justice, Hawaiian Community Assets, OCC Legislative Priorities Committee of the Democratic Party of Hawaii, and ten individuals.

Your Committee received written comments on this measure from the Department of Human Services, Department of Taxation, State Procurement Office, and Tax Foundation of Hawaii.

Your Committee finds that homelessness and lack of affordable housing are two of the most pressing problems facing Hawaii. These problems most acutely affect families with minor children. Accordingly, your Committee believes that the establishment of a housing homeless children rental assistance pilot program to provide a small, time-limited subsidy will allow vulnerable families to avoid the risk of homelessness and gain time to achieve self-sufficiency.

Your Committee has amended this measure by:

- (1) Changing the appropriations to unspecified amounts;
- (2) Explicitly directing the Hawaii Public Housing Authority to establish a housing homeless children rental assistance pilot program;
- (3) Exempting the Hawaii Public Housing Authority from Chapter 103F, Hawaii Revised Statutes, for the purposes of procuring financial case management and counseling services to assist families receiving rental assistance from the housing homeless children rental assistance pilot program;
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2989, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2989, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2671 Ways and Means on S.B. No. 2951

The purpose and intent of this measure is to clarify the interests that must be represented by the community development districts on the Hawaii Community Development Authority.

Specifically, this measure replaces the county council with the President of the Senate and the Speaker of the House of Representatives as the nominating authority for the members of the Hawaii Community Development Authority who represent the three community development districts of Heeiea, Kalaheo, and Kakaako.

Additionally, this measure clarifies that, of the members representing a community development district, the small business or nonprofit organization member can include an active manager of the small business as well as an owner and clarifies that the business or organization must be located and doing business within the physical boundaries of that community development district.

Your Committee received no written comments on this measure.

Your Committee finds that in 2017, confusion arose among Honolulu city council members regarding the nomination process for members of the Hawaii Community Development Authority who represented a particular community development district. Given the important responsibility of the representatives from the community development districts in determining the development of their respective districts, your Committee believes that the nomination process needs to be amended.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2951, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2951, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2672 Ways and Means on S.B. No. 2928

The purpose and intent of this measure is to enhance student education, improve childhood nutrition, and connect students with agriculture.

More specifically, the measure:

- (1) Establishes a three-year farm to school grant pilot program in the Department of Agriculture;
- (2) Appropriates moneys for the pilot program; and
- (3) Appropriates moneys to continue the Hawaii farm to school program and coordinator position.

Your Committee received written comments in support of this measure from the Department of Agriculture; Department of Education; Department of Health; State Procurement Office; University of Hawaii; a Councilmember from the County of Hawaii; Ulupono Initiative; Maui School Garden Network; Hawaii Primary Care Association; American Heart Association; Hawaii State Teachers Association; Hawaii Farm to School Hui; Kokua Hawaii Foundation; Local Food Coalition; Hoomana Pono, LLC; Grow Some Good; Malaai: The Culinary Garden of Waimea Middle School; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Ka Ohana O Na Pua; Kamehameha Schools; Oahu Farm to School Network; and twenty-six concerned individuals.

Your Committee finds that farm to school programs effect positive change for the State in the areas of agriculture, education, and health. Your Committee further finds that farm to school activities support a nutritious food environment in public schools, which are attended by more than eighty-five percent of Hawaii's children and youth.

Your Committee has amended this measure by:

- (1) Adding a new section that appropriates an unspecified sum to assist farmers and ranchers in acquiring Good Agricultural Practices certifications from the United States Department of Agriculture;
- (2) Changing the amount appropriated for the farm to school grant pilot program from \$1,000,000 to an unspecified sum;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2928, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2928, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2673 Ways and Means on S.B. No. 2319

The purpose and intent of this measure is to amend the selection and composition of the University of Hawaii Board of Regents.

Specifically, subject to ratification of a Hawaii constitutional amendment, this measure:

- (1) Reduces the membership of the Board of Regents from fifteen members to seven;
- (2) Reduces the terms of the members from five years to three years;
- (3) Establishes residential or expertise requirements for certain members;
- (4) Requires that the student member be the student body president of a University of Hawaii campus;
- (5) Repeals the Candidate Advisory Council for the Board of Regents; and

- (6) Requires the Governor to nominate and appoint the members of the Board of Regents with the advice and consent of the Senate.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs.

Your Committee received written comments in opposition to this measure from one individual.

One individual submitted written comments on this measure.

Your Committee finds that requiring that one member of the University of Hawaii Board of Regents possess experience in Native Hawaiian traditions and customs will help to preserve the cultural and environmental integrity of the lands administered by the University of Hawaii.

Your Committee has amended this measure by:

- (1) Clarifying the language regarding appointment and confirmation of University of Hawaii Board of Regents members so that it mirrors the language in Article X, section 6, of the Hawaii State Constitution; and
- (2) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2319, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2319, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2674 Ways and Means on S.B. No. 2069

The purpose and intent of this measure is to make an appropriation for the research, development, marketing, and conservation of breadfruit.

Your Committee received written comments in support of this measure from the Department of Agriculture; the University of Hawaii System Government Relations Office; the Hawaii County Council; the Ho‘omanapono Political Action Committee; Ho‘omana Pono, LLC; the OCC Legislative Priorities Committee, Democratic Party of Hawai‘i; and eight individuals.

Your Committee found that ‘ulu is a long-lived, easy to grow, productive, nutritious, starchy staple crop that can continue to contribute to environmental, social, and economic health of the State for generations.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$650,000 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2069, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2069, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2675 Ways and Means on S.B. No. 3104

The purpose and intent of this measure is to reduce the price of prescription drugs.

Specifically, this measure:

- (1) Establishes requirements for pharmacy benefit managers and maximum allowable cost pricing, including the ability of pharmacies to receive comprehensive maximum allowable cost lists and bring complaints within the purview of the Department of Commerce and Consumer Affairs, rather than the Department of Health;
- (2) Requires pharmacy benefit managers to disclose where an equivalent drug can be obtained at or below the maximum allowable cost in certain situations;
- (3) Clarifies the available penalties for violations of maximum allowable cost requirements; and
- (4) Repeals a requirement that prohibits a contracting pharmacy from disclosing the maximum allowable cost list and related information to any third party.

Your Committee received written comments in support of this measure from Times Pharmacy; Hawaii Pharmacists Association; Shiigi Drug Co. Inc.; The Queen’s Health Systems; Waimanalo Pharmacy Inc.; Northshore Pharmacy, ElixRx Pharmacy; Westside Pharmacy; KTA Super Stores; Ululani Pharmacy; National Community Pharmacists Association; Molokai Drugs, Inc.; Chinatown Pharmacy; Pharmacare Hawaii; Wailea Pharmacy; and forty-six individuals.

Your Committee received written comments on this measure from the Department of Commerce and Consumer Affairs, Pharmaceutical Care Management Association, and Hawaii Medical Service Association.

Your Committee finds that strengthening the ability of pharmacies to receive timely maximum allowable cost lists, establishing a complaints process for violations, and clarifying penalties will encourage transparency among pharmacy benefit managers, while protecting the State’s independent pharmacies and consumers.

Your Committee notes that as this measure moves forward, consideration should be given to the Department of Commerce and Consumer Affairs's request that its budget ceiling be adjusted to cover the fiscal impact of this measure.

Your Committee has amended this measure by:

- (1) Clarifying that, for claims that are reversed and rebilled following an appeal to a pharmacy benefit manager, the pharmacy benefit manager shall pay the appealing contracting pharmacy the difference between:
 - (A) The maximum allowable cost as adjusted by the pharmacy benefit manager after resolution of the appeal; and
 - (B) The maximum allowable cost appealed by the contracting pharmacy;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3104, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3104, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2676 Ways and Means on S.B. No. 3030

The purpose and intent of this measure is to improve food security and self-sufficiency in the State by establishing a farmer apprentice mentoring program that offers guidance and instruction on a whole farm system approach to agriculture.

Your Committee received written comments in support of this measure from the Department of Agriculture; University of Hawaii System; a County Council member from the County of Hawaii; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Hoomana Pono, LLC; and three individuals.

Your Committee received written comments on this measure from the Department of Labor and Industrial Relations and the Hawaii Farm Bureau Federation.

Your Committee finds that the development of a whole farm system approach to agriculture will lower water usage through the deployment of green manure, compost, and cover crops; reduce crop loss from pest damage; and decrease weed pressure.

Your Committee has amended this measure by:

- (1) Codifying the farmer apprentice mentoring program in Chapter 141, Hawaii Revised Statutes;
- (2) Changing the amount appropriated for the program to an unspecified amount;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3030, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3030, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Riviere, Shimabukuro).

SCRep. 2677 Ways and Means on S.B. No. 3031

The purpose and intent of this measure is to clarify and strengthen the organic foods production tax credit.

More specifically, this measure:

- (1) Requires that, in any taxable year where the aggregate cap amount of the tax credit has been exceeded, all taxpayers claiming the tax credit receive a prorated credit amount;
- (2) Repeals the authority of the Board of Agriculture to assess and collect a fee to offset the costs of certifying tax credit claims; and
- (3) Provides that only expenses incurred to apply for, obtain, and maintain organic certification from the United States Department of Agriculture, pursuant to the Organic Foods Production Act, may be used to claim the tax credit.

Your Committee received written comments in support of this measure from the Department of Agriculture, Hawaii Farm Bureau Federation, OCC Legislative Priorities Committee, Democratic Party of Hawaii, and two individuals.

Your Committee received written comments on this measure from the Department of Taxation.

Your Committee finds that the organic foods production tax credit, codified as section 235-110.94, Hawaii Revised Statutes, was established to assist organic farmers by offsetting the costs to cultivate organically produced agricultural products. Your Committee also finds that obtaining and maintaining organic certification from the United States Department of Agriculture is a costly endeavor for small farmers.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure;
- (2) Applying the measure to unspecified taxable years; and
- (3) Deleting the unnecessary repeal date.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3031, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3031, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Riviere, Shimabukuro).

SCRep. 2678 Ways and Means on S.B. No. 2894

The purpose and intent of this measure is to decrease the State's dependence on imported food.

More specifically, this measure:

- (1) Requires the Department of Agriculture, in coordination with the Agribusiness Development Corporation and the University of Hawaii College of Tropical Agriculture and Human Resources, to conduct crop performance testing trials of certain food crops on state agricultural land;
- (2) Requires the Department to submit a report of its findings and recommendations to the legislature no later than twenty days prior to the convening of the regular session of 2020; and
- (3) Appropriates moneys to the Department to perform the testing trials.

Your Committee received written comments in support of this measure from the Department of Agriculture; the Agribusiness Development Corporation; the University of Hawaii System; Ulupono Initiative; the Hawaii Farm Bureau Federation; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and two individuals.

Your Committee finds that increasing food production in the State would mean less food would need to be imported into the State and would help to achieve self-sufficiency and sustainability as well as create jobs. An important first step in increasing the amount of food produced in the State is to identify the types of food crops that are suitable to be grown in the State.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2894, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2894, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2679 Ways and Means on S.B. No. 2494

The purpose and intent of this measure is to strengthen regulatory oversight of elevator mechanics.

Specifically, the measure:

- (1) Requires licensing examinations, license renewals, and continuing education;
- (2) Defines the scope of work of elevator mechanics;
- (3) Recognizes exemptions from licensure;
- (4) Prohibits remote interactions of a conveyance;
- (5) Adds the completion of an apprenticeship program and increases the length of supervised training as requirements for licensure;
- (6) Authorizes temporary permits for apprentice elevator mechanics under certain circumstances; and
- (7) Clarifies and updates other areas of the elevator mechanics licensing law.

Your Committee received written comments in support of this measure from the Elevator Mechanics Licensing Board.

Your Committee received written comments in opposition to this measure from KONE Inc.; the National Elevator Industry, Inc.; Otis Elevator Company; Schindler Elevator Corporation; and thyssenkrupp Elevator Corporation.

Your Committee finds that elevator technology has advanced exponentially in the years since the elevator mechanics licensing law was last updated. Your Committee believes this measure is necessary to ensure that elevator mechanics keep pace with the current technology.

Your Committee has amended this measure by:

- (1) Clarifying that the scope of work of an elevator mechanic pertains to work performed on a conveyance;

- (2) Clarifying the definition of "remote interaction" to refer to actions or interactions within a building or complex in which a conveyance is located;
- (3) Clarifying that the elevator mechanic apprenticeship program is registered with the State Apprenticeship Council; and
- (4) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2494, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2494, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Inouye, Wakai).

SCRep. 2680 Ways and Means on S.B. No. 3058

The purpose and intent of this measure is to promote the revitalization and redevelopment of certain public lands that have become dilapidated, obsolete, or deteriorated over time.

Specifically, this measure:

- (1) Authorizes the Legislature to designate redevelopment districts to provide incentives for revitalization and redevelopment of those areas;
- (2) Establishes requirements for each designated district to have a planning committee and staff to coordinate and drive the redevelopment of the designated district;
- (3) Designates the public lands on the Waiiaka peninsula on the island of Hawaii as a redevelopment district;
- (4) Establishes the Waiiaka Peninsula Redevelopment District Planning Committee; and
- (5) Establishes the Waiiaka Peninsula Redevelopment District revolving fund.

Your Committee received written comments in support of this measure from a Hawaii County Council member, the Hawaii Association of REALTORS, McCully Works, and one individual.

Your Committee received written comments in opposition to this measure from Hawaii's Thousand Friends, the League of Women Voters of Hawaii, and eleven individuals.

The Department of Budget and Finance and the Department of Land and Natural Resources submitted written comments on this measure.

Your Committee finds that pursuant to Chapter 171, Hawaii Revised Statutes, the Board of Land and Natural Resources has the authority to issue leases for the use of certain state lands for a maximum term of sixty-five years. Your Committee further finds that during the last ten to fifteen years of these leases, tenants typically do not invest in those properties because their leases will expire. This causes the applicable areas to become dilapidated and obsolete. This measure will help to address the deteriorated nature of those properties by establishing committees to drive the redevelopment and revitalization of those areas.

Your Committee has amended this measure by:

- (1) Clarifying that each member of a district planning committee shall be a resident of the State and possess requisite knowledge, experience, or expertise;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3058, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3058, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10; Ayes with Reservations (Riviere). Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2681 Ways and Means on S.B. No. 2662

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by codifying in the Hawaii Revised Statutes the United Nations Sustainable Development Goal to eliminate poverty.

Your Committee received written comments in support of this measure from the Department of Agriculture; Department of Human Services; Oahu Economic Development Board; and the OCC Legislative Priorities Committee, Democratic Party of Hawai'i.

Your Committee received written comments on this measure from the Office of Planning.

Your Committee finds that in order for Hawaii to continue to serve as an example for the rest of the world in setting policies on sustainability and to serve as a global leader on issues of conservation and sustainability, it is essential that the State demonstrate its full commitment to its own policies and goals as well as the goals set on the international stage at United Nations conferences and summits on sustainability, including the United Nations Sustainable Development Goal to end poverty.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2662, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2662, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2682 Ways and Means on S.B. No. 2913

The purpose and intent of this measure is to require increased procurement training for procurement officers employed by any department.

Your Committee received written comments in support of this measure from the State Procurement Office.

Your Committee finds that employees in the State's procurement and contracting workforce need proper training and education in the state procurement code and procurement procedures. Your Committee therefore believes that all departmental employees authorized to procure or contract should undergo mandatory procurement training to ensure their proficiency at making purchases on behalf of a public agency.

Your Committee has amended this measure by:

- (1) Changing the appropriation to update training modules and implement procurement training from \$100,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2913, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2913, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2683 Ways and Means on S.B. No. 2817

The purpose and intent of this measure is to authorize the Crime Victim Compensation Commission to order the payment of compensation for mental health services in certain cases.

Specifically, the measure authorizes payment for mental health services:

- (1) In cases involving death of a victim, to the victim's surviving relatives; and
- (2) In cases involving abuse of a family or household members, to a child witness.

Your Committee received written comments in support of this measure from the Sex Abuse Treatment Center; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and two concerned individuals.

Your Committee finds that this measure will allow the Crime Victim Compensation Commission to provide compensation for mental health counseling to certain individuals who could benefit from that counseling.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2817, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2817, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2684 Ways and Means on S.B. No. 2334

The purpose and intent of this measure is to require that certain state and county plans account for climate change.

Specially, this measure requires the:

- (1) State and counties to consider hazards caused by climate change, including the findings of the Hawaii Sea Level Rise Vulnerability and Adaptation Report, in their multi-hazard mitigation plans;
- (2) State and counties to develop and establish comprehensive frameworks in pre-disaster planning and post-disaster recovery that address adaptation strategies to sea level rise;
- (3) State and counties to include modeling that anticipates sea level rise and floodplains in terms of a hundred-year coastal flood benchmark in floodplain mapping; and
- (4) Counties to participate in the community rating system developed by the national flood insurance program.

Your Committee received written comments in support of this measure from the Office of Planning; the Office of Hawaiian Affairs; the University of Hawaii; the Sierra Club of Hawaii; OCC Legislative Priorities; the City and County of Honolulu Office of Climate Change, Sustainability and Resiliency; Coastal Planners, LLC; and four individuals.

Your Committee finds that recent studies predict that sea levels will rise by 3.2 feet as early as the year 2060 and will continue to rise for centuries. Requiring the State and counties to incorporate higher sea levels and climate change hazards in plans will help to reduce property damage caused by climate change and promote the efficient use of resources when rebuilding areas damaged by natural disasters.

Your Committee has amended this measure by:

- (1) Requiring the State and counties to include state functional plans, county general plans, and community development plans in pre-disaster planning and post-disaster recovery strategies that address sea level rise adaptation strategies;
- (2) Requiring that floodplain mapping incorporate information from the Hawaii Sea Level Rise Vulnerability and Adaptation Report; and
- (3) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2334, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2334, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Inouye, Wakai).

SCRep. 2685 Ways and Means on S.B. No. 2604

The purpose and intent of this measure is to develop a more efficient system for the Legislature to track and review reports that the various government agencies are required or requested to submit.

More specifically, this measure requires the Legislative Reference Bureau to develop a spreadsheet tracking the status and content of all reports required or requested to be submitted to the Legislature and to inform the Legislature of any of these reports that are not timely submitted.

Your Committee received written comments on this measure from the Legislative Reference Bureau.

Your Committee finds that the ever-growing number of reports required to be submitted to the Legislature as required by law or requested by legislative resolution necessitates a more efficient system to track which of these reports are not being timely submitted, or are not being submitted at all. Your Committee also finds that under present circumstances, the Legislative Reference Bureau may not be able to include in the spreadsheet all of the information required in this measure as:

- (1) The reports may be funded by amounts that are not always expressly identified or are sometimes funded by commingled moneys from different program IDs within an agency's operating budget; and
- (2) The Bureau may be unable to ascertain the date that the Legislature received the report as neither house of the Legislature is required under law to inform the Bureau of this receipt date.

Accordingly, your Committee has amended this measure by:

- (1) Narrowing the scope of requested reports to be included in the Legislative Reference Bureau's tracking system to those requested by legislative concurrent resolution;
- (2) Requiring agencies that submit reports to conspicuously include in their reports:
 - (A) The law (or laws) that required or concurrent resolution that requested the report;
 - (B) The amount of money appropriated for the report, or for a study that was the basis for the report; and
 - (C) The date that the Legislature requested that the report be submitted to it for its review;
- (3) Amending chapter 21, Hawaii Revised Statutes, to require the appropriate Senate and House of Representative recipient of a required or requested report to inform the Legislative Reference Bureau that it has received the required or requested report and provide the date upon which it received the report; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2604, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2604, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2686 Ways and Means on S.B. No. 2914

The purpose and intent of this measure is to require any governmental body that enters into a contract that is exempt from the State Procurement Code pursuant to section 103D-102(b), Hawaii Revised Statutes, to report that contract to the State Procurement Office and Legislature.

Your Committee received written comments in support of this measure from the State Procurement Office.

Your Committee recognizes that under existing law, certain types of contracts by governmental bodies are exempt from the requirements of the State Procurement Code. Your Committee also recognizes that to ensure accountability and transparency, the Legislature and the State Procurement Office should be made aware of the contracts that utilize this exemption.

Accordingly, your Committee has amended this measure by:

- (1) Changing the effective date to January 1, 2050, to facilitate further discussion on the measure; and
- (2) Making a technical nonsubstantive change for the purpose of consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2914, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2914, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2687 Ways and Means on S.B. No. 2620

The purpose and intent of this measure is to reduce government waste and increase government efficiency by repealing the \$10,000 maximum limit on a cash or protest bond that must be posted for a procurement award protest.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services and State Procurement Office.

Your Committee finds that the current maximum limit of \$10,000 for a cash or protest bond is too low, and therefore does not deter persons who might delay a public works project by submitting an unnecessary bid protest.

Your Committee has amended this measure by making a technical nonsubstantive change for the purpose of consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2620, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2620, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2688 Ways and Means on S.B. No. 2114

The purpose and intent of this measure is to appropriate funds for the administration of the Glass Advance Disposal Fee Program.

Specifically, this measure appropriates \$169,466 in general funds for:

- (1) One full time equivalent environmental health specialist IV position; and
- (2) One full time equivalent planner IV position,

to administer the Glass Advance Disposal Fee Program.

Your Committee received written comments in support of this measure from the Department of Health; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and three individuals.

Your Committee finds that two staff positions will assist the Department of Health to properly collect fees owed by glass container importers to the State, and to expend those revenues to maximize the amount of glass waste that is recycled.

Your Committee has amended this measure by:

- (1) Changing the amounts appropriated and allocated to unspecified amounts; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2114, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2114, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2689 Ways and Means on S.B. No. 2563

The purpose and intent of this measure is to assist the K-12 Agriculture Workforce Development Pipeline Initiative in conducting agricultural self-sufficiency training on all islands for teachers, school administrators, and students.

More specifically, this measure appropriates moneys to the Department of Labor and Industrial Relations for the continued work of the Initiative.

Your Committee received written comments in support of this measure from the Department of Education; the Department of Agriculture; the Department of Labor and Industrial Relations; the Hawaii State Teachers Association; the Land Use Research Foundation of Hawaii; Ho'omana Pono, LLC; the Hawaii Farm Bureau Federation; Hawaii Crop Improvement Association; Maui County Farm Bureau; and eighteen concerned individuals.

Your Committee finds that the K-12 Agriculture Workforce Development Pipeline Initiative was established by Act 229, Session Laws of Hawaii 2016, to conduct agricultural self-sufficiency training for teachers and school administrators on all islands. Your Committee also finds that supporting the Initiative's training of teachers, students, and school administrators is in the best interest of the State as it promotes the perpetuation of the State's agricultural industry, by providing knowledge of and inspiring interest in agriculture and educating youth about the importance of sustainability and self-sufficiency.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$200,000 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050,

to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2563, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2563, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2690 Ways and Means on S.B. No. 2125

The purpose and intent of this measure is to ensure that the Department of Agriculture's pesticide subsidy program is able to function properly during fiscal year 2021-2022, by extending its program manager position authorization until June 30, 2022.

More specifically, this measure extends the sunset date for the pesticide subsidy program manager position, and the civil service exemption for the manager position, from June 30, 2021, to June 30, 2022, so that the program manager will be available to process pesticide subsidy grant requests submitted during the final year of the grant program.

Your Committee received written comments in support of this measure from the Department of Agriculture, the Office of the Mayor of the County of Hawaii, a member of the Hawaii County Council, the Land Use Research Foundation of Hawaii, the Hawaii Farm Bureau Federation, the Big Island Invasive Species Committee, the Hawaii Coffee Association, the OCC Legislative Priorities Committee of the Democratic Party of Hawaii, and one concerned individual.

Your Committee received written comments in opposition to this measure from one concerned individual.

Your Committee finds that although the sunset date of the pesticide subsidy program is June 30, 2021, the position of pesticide subsidy program manager will remain necessary for an additional year to process applications for subsidies of costs incurred in the final year of the program.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2125, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2125, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2691 Ways and Means on S.B. No. 2078

The purpose and intent of this measure is to appropriate funds to the Department of Land and Natural Resources to conduct, in collaboration with the University of Hawaii College of Tropical Agriculture and Human Resources, a two-year breeding ecology study and two-year foraging ecology study on the pueo on Oahu.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; the University of Hawai'i College of Tropical Agriculture and Human Resources; Na Pueo; Dole Food Co. Hawaii; Hawaii Audubon Society; Ho'omanapono Political Action Committee; Ho'omanapono, LLC; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; the Kahoolawe Island Reserve Commission; Kanehili Cultural Hui; and twenty-seven individuals.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee received written comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the pueo, or Hawaiian short-eared owl, is an endemic subspecies of the short-eared owl that has a special place in Hawaii's culture. Because of the cultural significance and potential ecological benefits of the pueo, it is important to conduct comprehensive studies on the pueo in order to allow researchers to better identify preferred breeding habitats and ensure the continued survivability of the pueo in the State.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$330,063 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2078, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2078, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2692 Ways and Means on S.B. No. 2387

The purpose and intent of this measure is to enhance student health and expand the relationship between public schools and the agricultural community.

Specifically, this measure:

- (1) Requires the Department of Education to establish a farm to school program;
- (2) Requires the farm to school coordinator of the Department of Education to collaborate with the Department of Agriculture on any farm to school program established within the Department of Education; and
- (3) Appropriates funds for two full-time equivalent farm to school staff positions within the Department of Education.

Your Committee received written comments in support of this measure from the Office of the Lieutenant Governor; Department of Agriculture; Department of Education; Department of Health; State Public Charter School Commission; Hawaii Public Health Institute; Hawaii State Teachers Association; Ulupono Initiative; The Kohala Center; Oahu Farm to School Network; Hawaii Farm Bureau Federation; Kamehameha Schools; Malaai; The Culinary Garden of Waimea Middle School; Blue Zones Project; Hawaii Children's Action Network; Hawaii Medical Service Association; American Heart Association; Kokua Hawaii Foundation; Maui School Garden Network; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Pioneering Healthier Communities of Honolulu; Beyond Green Sustainable Food Partners; Grow Some Good; Ka Ohana O Na Pua; HFUU; Hawaii Primary Care Association; Hawaii Pacific Health; Local Food Coalition; and fifty-two individuals.

Your Committee finds that farm to school programs benefit schools by providing students with an agricultural education, improving student attendance, academic achievement, and behavior, and increasing opportunities for place-based experiential learning, physical activity, and active participation.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated for farm to school staff positions from \$114,336 to an unspecified sum;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2387, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2387, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2693 Ways and Means on S.B. No. 318

The purpose and intent of this measure is to authorize home-schooled students to participate in the extracurricular activities of the public school that the child would have otherwise attended.

Your Committee received testimony in support of this measure from OCC Legislative Priorities and one individual. Your Committee received comments on this measure from the Department of Education and one individual.

Your Committee finds that the measure, as received by your Committee, would require a home-schooled student who wishes to participate in an extracurricular activity conducted by a public school to:

- (1) Meet certain health requirements prior to participating in the extracurricular activity;
- (2) Meet participation and restriction requirements, including maintaining grade point averages and paying appropriate fees;
- (3) Submit a birth certificate and proof of residency; and
- (4) Be registered with the school as a home-schooled student at the beginning of the school year and at least twelve months prior to participating in an extracurricular activity.

Your Committee finds that requiring home-schooled students to enroll at a school for twelve months prior to participating in an extracurricular activity would be unduly burdensome since many families who choose to home school their children do not follow a public school calendar. In addition, an early enrollment requirement would adversely impact dependents of military members since those individuals may transfer to Hawaii during the school year. Your Committee further finds that the expenses of allowing home-schooled students to participate in school extracurricular activities could be a financial burden for schools. Requiring the Department of Education to reimburse schools for these expenses will help to ensure that the amount of funds allocated to each school based upon the weighted student formula is not affected.

Although your Committee supports the participation by home-schooled students in a school's extracurricular activities, your Committee believes that, if more students want to participate in an extracurricular activity than is allowed, prioritizing the participation of school students over home-schooled students would best serve the needs of the relevant school district. To ensure a uniform and fair prioritization process, your Committee believes that a task force should be established by the Department of Education to determine precisely how the prioritization would be implemented.

Your Committee has amended this measure by:

- (1) Prohibiting home-schooled students from obtaining a geographic exception to participate in extracurricular activities in a public school the child would not otherwise have attended;
- (2) Deleting the requirement that the home-schooled student be enrolled at the school at least twelve months prior to participating in an extracurricular activity;
- (3) Authorizing dependents of a person in military service who moved to the school district within the past twelve months to be enrolled as late as the date of the extracurricular activity;
- (4) Exempting enrolled home-schooled students from the school's attendance and similar records;
- (5) Specifying that if the number of students who desire to participate in an extracurricular activity exceeds the number of students who may participate, priority shall be given to students attending the school over home-schooled students;
- (6) Requiring the Department of Education to reimburse the school for additional expenses associated with home-schooled students' participation in extracurricular activities;
- (7) Specifying that the adoption of rules by the Department of Education shall comply with chapter 91, Hawaii Revised Statutes;
- (8) Requiring the Department of Education to establish a task force to determine the criteria to be used in prioritizing school students over home-schooled students who want to participate in the same extracurricular activity;
- (9) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (10) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 318, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 318, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Kidani, Riviere, Shimabukuro).

SCRep. 2694 Ways and Means on S.B. No. 2717

The purpose and intent of this measure is to reduce the number of cesspools on Hawaiian Home Lands.

More specifically, this measure:

- (1) Establishes a grant program and special fund to assist lessees on Hawaiian Home Lands with cesspool upgrade, conversion, or connection costs;
- (2) Establishes that a recipient of a cesspool upgrade grant shall not be eligible for the cesspool upgrade, conversion, or connection income tax credit; and
- (3) Appropriates moneys for the grant program.

Your Committee received written comments in support of this measure from the Department of Hawaiian Home Lands; Department of Health; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and one individual.

Your Committee received written comments on this measure from the Department of Budget and Finance and the Department of Taxation.

Your Committee finds that section 342D-72, Hawaii Revised Statutes, requires that every cesspool in the State, other than those exempted by the Director of Health, be either upgraded or converted to a septic system or aerobic treatment unit system or connected to a sewerage system prior to January 1, 2050. This measure is intended to provide financial assistance to lessees on Hawaiian Home Lands who might not otherwise be able to afford expensive cesspool upgrade, conversion, or connection costs.

Your Committee has amended this measure by:

- (1) Changing the appropriations to unspecified amounts;
- (2) Clarifying that the Department of Hawaiian Home Lands may adopt rules to administer the grant program;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2717, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2717, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2695 Ways and Means on S.B. No. 2663

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including the zero hunger goal of the United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, in the Hawaii Revised Statutes.

Your Committee received written comments in support of this measure from the Department of Human Services, Department of Agriculture, Oahu Economic Development Board, and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received comments on this measure from the Office of Planning.

Your Committee finds that in order for Hawaii to continue to serve as an example for the rest of the world in setting policies on sustainability and to serve as a global leader on issues of conservation and sustainability, it is essential that the State demonstrate its full commitment to its own policies and goals as well as the goals set on the international stage at United Nations conferences and summits on sustainability, including the United Nations Sustainable Development Goal of zero hunger.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2663, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2663, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2696 Ways and Means on S.B. No. 2654

The purpose and intent of this measure is to protect public health by decreasing the use of electronic smoking devices.

Specifically, this measure:

- (1) Prohibits the:
 - (A) Shipment of tobacco products to anyone other than a licensee; and
 - (B) Transport of tobacco products ordered through remote sale to anyone other than a licensee;
- (2) Includes e-liquid within the definition of "tobacco products";
- (3) Increases the license fee for persons engaged as a wholesaler or dealer of cigarettes and tobacco products; and
- (4) Increases the retail tobacco permit fee for retailers engaged in the retail sale of cigarettes and tobacco products.

Your Committee received written comments in support of this measure from the Department of Health, a member of the Kauai County Council, American Heart Association, Hawaii Public Health Association, Blue Zones Project-Koolaupoko, Keiki Injury Prevention Coalition, Hawaii Public Health Institute, Pioneering Healthier Communities of Honolulu, and seventy-six individuals.

Your Committee received written comments in opposition to this measure from Hawaii Smokers Alliance, PCG Enterprises LLC, Black Lava Vape, Smokeless Hawaii, VOLCANO Fine Electronic Cigarettes, Cigar Rights of America, and twenty-one individuals.

Your Committee received written comments on this measure from the Department of Taxation and Department of the Attorney General.

Your Committee finds that the use of electronic cigarettes among high school students has increased nine hundred percent from 2011 to 2015, making them now the most commonly used tobacco product among youth.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2654, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2654, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2697 Ways and Means on S.B. No. 2519

The purpose and intent of this measure is to help divert certain types of solid waste from the waste stream and allow those materials to be reused.

Specifically, this measure authorizes the Agribusiness Development Corporation to:

- (1) Contract with private businesses to remove municipal solid waste, glass, and food and green waste from the waste stream so they may be used in other business sectors; and
- (2) Adopt rules pursuant to Chapter 91, Hawaii Revised Statutes, regarding the solid waste diversion.

Your Committee received written comments in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Hawaii Cattlemen's Council; and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received written comments in opposition to this measure from the Department of Environmental Services of the City and County of Honolulu.

Your Committee finds that encouraging innovative processes for recycling will both help to reduce the impact of waste on the environment and support industry sectors, such as construction and energy, because recycled materials have many beneficial uses.

Your Committee has amended this measure by specifying that the new section to be added to Chapter 163D, Hawaii Revised Statutes, shall be inserted into part I of that Chapter.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2519, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2519, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Harimoto, Riviere). Noes, none. Excused, 2 (Inouye, Wakai).*

SCRep. 2698 Ways and Means on S.B. No. 2488

The purpose and intent of this measure is to establish a working group to explore options and make recommendations relating to health insurance reimbursement to qualifying patients for medical cannabis costs.

Your Committee received written comments in support of this measure from Drug Policy Forum of Hawaii; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and one individual.

Your Committee recognizes that Act 230, Session Laws of Hawaii 2016, established a legislative oversight group, which is responsible for developing and recommending legislation to improve the state medical cannabis dispensary system to ensure that qualifying patients have safe and legal access to medical cannabis. Your Committee finds that the establishment of a separate, more narrowly-focused working group to address the complex issues relating to health insurance reimbursement for medical cannabis may be warranted.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2488, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2488, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2699 Ways and Means on S.B. No. 2399

The purpose and intent of this measure is to restructure the Hawaii Invasive Species Council as the Hawaii Invasive Species Authority.

Specifically, this measure:

- (1) Establishes the Hawaii Invasive Species Authority to coordinate and address the control, eradication, and prevention of the introduction of invasive species;
- (2) Repeals the Invasive Species Council; and
- (3) Appropriates funds for the Hawaii Invasive Species Authority and interagency products and research related to invasive species.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, the Department of Agriculture, a member of the Hawaii County Council, Big Island Invasive Species Committee, Ka Ohana O Na Pua, Local Food Coalition, Hawaii Farm Bureau Federation, Sierra Club of Hawaii, OCC Legislative Priorities Committee of the Democratic Party of Hawaii, and eleven individuals.

Your Committee finds that establishing the Hawaii Invasive Species Authority is one of the key goals of the Hawaii Interagency Biosecurity Plan. Your Committee further finds that under this measure, the Hawaii Invasive Species Authority will be the entity responsible for organizing the State's efforts for the prevention of the introduction of, early detection of, rapid response to, and control of invasive species in the State.

Your Committee has amended this measure by:

- (1) Adding language transferring the control of personnel, records, and other items of the Hawaii Invasive Species Council to the Hawaii Invasive Species Authority;
- (2) Changing the amounts appropriated to unspecified amounts;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2399, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2399, S.D. 2.

* Record of votes amended pursuant to the order of the Chair on March 6, 2018 (p. 289).

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2700 Ways and Means on S.B. No. 2891

The purpose and intent of this measure is to introduce telehealth service to health care providers and patients in the State by appropriating moneys to fund a telehealth pilot project.

Your Committee received written comments in support of this measure from the Department of Health, the University of Hawaii System, the Mayor's Office of the County of Hawaii, the Hawaii Chapter of the American Physical Therapy Association, the Hawaii Substance Abuse Coalition, the Hawaii Primary Care Association, the Wahiawa Center for Community Health, the OCC Legislative Priorities Committee of the Democratic Party of Hawaii, and two concerned individuals.

Your Committee received written comments on this measure from the State Procurement Office.

Your Committee finds that a telehealth pilot project would increase telehealth adoption rates in the State by increasing confidence in telehealth services among health care providers and patients.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2891, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2891, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2701 Ways and Means on S.B. No. 2511

The purpose and intent of this measure is to establish two permanent full-time equivalent positions within the Office of Language Access to assist state agencies and state-funded agencies in implementing the requirements of Hawaii's language access law.

Your Committee received written comments in support of this measure from the Hawaii State Judiciary; Office of Language Access; Hawaii Civil Rights Commission; Filipino American Citizens League; Filipina Advocacy Network; Hawaiian Civic Club of Honolulu; Hawaii TESOL; Hawaii Friends of Civil Rights; Ho'omana Pono, LLC; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Volunteer Legal Services Hawaii; and five concerned individuals.

Your Committee finds that the Office of Language Access is understaffed and, as a result, has been unable to fully perform its statutorily mandated compliance and technical assistance functions. Accordingly, many state agencies have been unable to implement important aspects of their language access plans, and many individuals limited in English proficiency in Hawaii continue to lack meaningful access to government services, programs, and activities.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2511, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2511, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2702 Ways and Means on S.B. No. 2977

The purpose and intent of this measure is to require the Hawaii Climate Change Mitigation and Adaptation Commission to develop reports assessing the impact of the tourism industry on climate change.

Your Committee received written comments in support of this measure from OCC Legislative Priorities Committee, Democratic Party of Hawaii, and one concerned individual.

Your Committee received written comments on this measure from the Department of Land and Natural Resources and the Office of Planning.

Your Committee finds that about one-third of greenhouse gas emissions in the State are caused by aviation and marine transportation that is related to the tourism industry. Your Committee believes that the State should prioritize the development of "green" sustainable industries and reduce over-dependence on the tourism industry. Knowledge of the impacts that tourism makes on climate change may provide an added motivation to diversify the State's primary industries.

Your Committee notes that the Office of Planning has estimated that the cost of conducting and publishing the report envisioned by this measure will be approximately \$400,000.

Your Committee has amended this measure by:

- (1) Making an unspecified appropriation for the Commission to develop reports assessing the impact of the tourism industry on climate change;
- (2) Requiring the Commission to reevaluate and update its report by July 1, 2022, instead of every five years;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making a technical nonsubstantive change for the purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2977, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2977, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2703 Ways and Means on S.B. No. 2523

The purpose and intent of this measure is to develop regional economic plans for each county for the purposes of job creation in rural and urban areas.

Specifically, this measure requires the Department of Business, Economic Development, and Tourism to:

- (1) Develop regional economic plans for each county to provide jobs in rural and urban areas; and
- (2) Work with the Department of Education and the University of Hawaii to develop educational pathways to meet specific industry needs.

Your Committee received written comments in support of this measure from the Department of Education, University of Hawaii System, and HawaiiKidsCAN.

Your Committee received written comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that each region of the State requires a different economic strategy and a specific economic plan. By requiring the Department of Business, Economic Development, and Tourism to assess the needs of each region and work with the Department of Education and the University of Hawaii, the State can help to develop Hawaii's workforce and meet the needs of Hawaii's industries.

Your Committee notes that the Department of Business, Economic Development, and Tourism has requested an appropriation of \$500,000 to complete the studies required by this measure, as long as the appropriation does not replace or adversely impact the administration's priorities.

Your Committee has amended this measure by making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2523, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2523, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2704 Ways and Means on S.B. No. 2333

The purpose and intent of this measure is to establish the Hawaii Retirement Savings Board and the Hawaii Retirement Savings Plan for private sector employees.

More specifically, this measure:

- (1) Establishes the Hawaii Retirement Savings Board, the Hawaii Retirement Savings Plan, and the Hawaii Retirement Savings Plan Administrative Fund;
- (2) Requires the Board to:
 - (A) Conduct a study on the feasibility of the Plan, the results of which shall determine whether the Plan will be established; and
 - (B) Submit its findings and recommendations to the Legislature in a preliminary report and a final report;
- (3) Makes appropriations to support the Board; and
- (4) Makes an appropriation to support the feasibility study.

Your Committee received written comments in support of this measure from the Hawaii Appleseed Center for Law & Economic Justice; Nisei Building Maintenance Company, Inc.; Retail Merchants of Hawaii; and five concerned individuals.

Your Committee received written comments in opposition to this measure from NAIFA Hawaii and one concerned individual.

Your Committee received written comments on this measure from the Department of Budget and Finance, and the Employees' Retirement System.

Your Committee finds that although it could be beneficial to establish the Hawaii Retirement Savings Board and the Hawaii Retirement Savings Plan, the establishment of the Board and the Plan should be determined by a preceding feasibility study.

Your Committee has amended this measure by:

- (1) Requiring the Department of Budget and Finance, instead of the Board, to:
 - (A) Conduct the study on the feasibility of implementing the Hawaii Retirement Savings Plan;
 - (B) Submit a preliminary report of its findings and proposals to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019; and
 - (C) Submit a final report of its findings and proposals to the Legislature no later than twenty days prior to the convening of the Regular Session of 2020;
- (2) Amending section 1 to reflect its amended purpose;
- (3) Reordering the requirements of the feasibility study as section 2 of the measure;
- (4) Reordering the new chapter of the Hawaii Revised Statutes that establishes the Hawaii Retirement Savings Board and the Hawaii Retirement Savings Plan as section 3 of the measure;
- (5) Adding definitions of “employee” and “employer”;
- (6) Clarifying that the Board’s adoption of rules for the general administration of the Plan shall be pursuant to Chapter 91, Hawaii Revised Statutes;
- (7) Clarifying that the Department’s exemption from the requirements of Chapter 91, Hawaii Revised Statutes, in its interim rule-making is limited to the public notice and public hearing requirements of Chapter 91, Hawaii Revised Statutes; and
- (8) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2333, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2333, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Shimabukuro).

SCRep. 2705 Ways and Means on S.B. No. 3099

The purpose and intent of this measure is to improve solid waste management within the State.

More specifically, the measure:

- (1) Establishes a plastics recycling grant program to identify Hawaii-based alternatives for the sustainable recycling and reuse of plastic commodities within the State;
- (2) Requires the Department of Health to set benchmarks to reach an eighty-five percent redemption rate by January 1, 2023;
- (3) Increases the refund value for deposit beverage containers from five cents to ten cents; provided that the Department of Health determines that the redemption rate for deposit beverage containers remained below eighty percent for two consecutive calendar years;
- (4) Requires the Department of Health to provide annual reports to the Legislature on redemption rates, progress, and plans regarding the deposit beverage container program; and
- (5) Appropriates funds for:
 - (A) Two positions for the glass advance disposal fee program; and
 - (B) The plastics recycling grant program.

Your Committee received written comments in support of this measure from the Kokua Hawaii Foundation; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Sierra Club of Hawaii; and one individual.

Your Committee received written comments in opposition to this measure from the International Bottled Water Association.

Your Committee received written comments on this measure from the Department of Health.

Your Committee recognizes that the current redemption rate of the deposit beverage container program is at sixty-seven percent, which is near the all-time low of 66.9 percent. Your Committee believes that this measure will help to increase the redemption rate of plastic beverage containers and ensure that fewer empty beverage containers will be deposited in landfills and the ocean.

Your Committee has amended this measure by:

- (1) Changing all calculations of the redemption rate, and related schedules, so that they are determined on a fiscal year basis;
- (2) Changing all appropriation amounts to unspecified amounts;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3099, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3099, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2706 Ways and Means on S.B. No. 3028

The purpose and intent of this measure is to require that certain amounts of child support moneys that are collected by the Department of Human Services for public assistance of a child or children be passed through to the family receiving the public assistance.

The measure also requires the Department of Human Services to disregard passed through child support payments when determining the needs of an applicant for or recipient of public assistance.

Your Committee received written comments in support of this measure from the American Association of University Women, Hawaii; Domestic Violence Action Center; Healthy Mothers Healthy Babies; Applesed Center for Law and Economic Justice; Hawaii State Democratic Women's Caucus; Democratic Party Education Caucus; and three individuals.

The Department of the Attorney General and Department of Human Services submitted written comments on the measure.

Your Committee finds that the additional child support funds to be passed through to families already receiving public assistance, or to families that may need to apply for public assistance in the future, will help to ease the burden of the State's high cost of living on these families.

Your Committee has amended this measure by:

- (1) Making an unspecified appropriation to the Department of the Attorney General for necessary expenses incurred by the Child Support Enforcement Agency in complying with the requirements of the measure;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3028, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3028, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Kahele, Shimabukuro).

SCRep. 2707 Ways and Means on S.B. No. 2703

The purpose and intent of this measure is to support the development of a small satellite launch system on the island of Hawaii.

More specifically, this measure authorizes the Department of Budget and Finance to issue special purpose revenue bonds to provide financing to assist SpinLaunch, Inc., in the development of an electrically powered, kinetic launch system to transport small satellites into low Earth orbit.

Your Committee received written comments in support of this measure from the Pacific International Space Center for Exploration Systems; CLW Engineering, LLC; three representatives of SpinLaunch, Inc.; Engineering Space; Free Flight Lab; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and one concerned individual.

Your Committee received written comments in opposition to this measure from Aha Moku Advisory Committee, BIFA, and fourteen concerned individuals.

Your Committee received written comments on this measure from the Department of Budget and Finance and one concerned individual.

Your Committee finds that the State's economy may benefit from the development of a small satellite launch system on the island of Hawaii. Your Committee further finds that the construction of an electronically powered, kinetic launch system constitutes a project as defined in part V, chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to an industrial enterprise.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure;
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2703, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2703, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9; Ayes with Reservations (Harimoto). Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2708 (Majority) Ways and Means on S.B. No. 2296

The purpose and intent of this measure is to provide for representation from the Legislature on each metropolitan planning organization policy board.

More specifically, this measure requires that each metropolitan planning organization policy board include at least one member who is both a resident of the applicable metropolitan planning area and a member of each of the following:

- (1) The Senate; and
- (2) The House of Representatives.

Your Committee received written comments in support of this measure from the Department of Transportation and Maui MPO.

Your Committee received written comments in opposition to this measure from one member of the Maui County Council.

Your Committee finds that including representation from the Legislature on each metropolitan planning organization policy board will provide each board with valuable legislative guidance and perspective.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2296, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2296, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8; Ayes with Reservations (Riviere). Noes, 1 (Harimoto). Excused, 2 (Kahele, Shimabukuro).

SCRep. 2709 Ways and Means on S.B. No. 2777

The purpose and intent of this measure is to clarify that the Department of Defense may allow the public to use or temporarily rent its facilities for certain specified purposes, provided that the use or rental does not interfere with any military use or result in a financial loss to the Department's operating budget.

More specifically, the measure provides that all net proceeds, as opposed to all moneys, received from the use or rental shall be deposited into the general fund of the State.

Your Committee received written comments in support of this measure from the Department of Defense.

Your Committee finds that allowing the Department of Defense to recoup operating costs associated with facility use and temporary facility rental by the public will enable the Department to provide greater access to its facilities for the benefit of the public.

Your Committee has amended this measure by:

- (1) Restructuring the measure's provisions to, among other things, clarify that the Department of Defense may allow the use or temporary rental of its facilities for the billeting of military personnel in conjunction with sanctioned events, including agency-sponsored conferences or classes, agency-sponsored athletic or recreation programs, government-sponsored public hearings or meetings, or unit-sponsored youth organizations and activities, as well as for public school-sponsored events and qualifying film production enterprise activities;
- (2) Replacing the reference to "eleemosynary (charitable) organizations" with "charitable organization", as defined in section 467B-1, Hawaii Revised Statutes;
- (3) Changing the text of section 121-19, Hawaii Revised Statutes, to correspond to the printed version of the Hawaii Revised Statutes, and amending the Ramseyered text accordingly; and
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2777, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2777, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2710 Ways and Means on S.B. No. 2242

The purpose and intent of this measure is to provide grants to public high school students who are applying for technical or workforce training.

More specifically, this measure:

- (1) Appropriates moneys to the Department of Education to establish the Workforce Development Microgrant Program to award grants to public high school students who are applying for technical or workforce training in certain fields;
- (2) Requires that the grants be used to pay for costs associated with the technical or workforce training; and
- (3) Requires the Department of Education to establish written standards and criteria by which the grants shall be awarded.

Your Committee received written comments in support of this measure from the Department of Education, the Hawaii State Teachers Association, the OCC Legislative Priorities Committee of the Democratic Party of Hawaii, and two concerned individuals.

Your Committee recognizes the importance of providing students with technical or workforce training as an alternative to college. Your Committee believes that providing grants to public high school students who are interested in certain career occupations to receive technical or workforce training would better prepare those students to enter the workforce following high school.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2242, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2242, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2711 Ways and Means on S.B. No. 2340

The purpose and intent of this measure is to ensure that certain benefits conferred under the federal Patient Protection and Affordable Care Act of 2010, as amended, are preserved under Hawaii law.

Specifically, this measure requires policies, contracts, plans, or agreements offered by health insurers, mutual benefit societies, and health maintenance organizations to:

- (1) Extend dependent coverage until the child turns twenty-six years of age;
- (2) Prohibiting exclusions for preexisting conditions; and
- (3) Not use gender to discriminate in premium or contribution levels.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs, Insurance Division; one Hawaii County Council Member; Hawaii Medical Service Association; AARP Hawaii; ACOG, Hawaii Section; American Association of University Women, Hawaii; Filipina Advocacy Network FAN; Hawaii Children's Action Network; Hawaii Appleseed Center for Law and Economic Justice; Hawaii Government Employees Association; Hawaii Public Health Institute; Hawaii State Democratic Women's Caucus; Hawaii Self Advocacy Advisory Council; Hawaii Women Lawyers; Hawaii Women's Coalition; Healthcare Association of Hawaii; Healthy Mothers Healthy Babies; IMUAlliance; Kaiser Permanente; LGBT Caucus of the Democratic Party of Hawaii; OCC Legislative Priorities Committee, Democratic Party of Hawai'i; Queen's Health Systems; Planned Parenthood Votes Northwest and Hawaii; Save Medicaid Hawaii; Sex Abuse Treatment Center; and 116 concerned individuals.

Your Committee received written comments in opposition to this measure from the American Council of Life Insurers.

Your Committee finds that the federal Patient Protection and Affordable Care Act of 2010, as amended, establishes important protections for Hawaii residents, especially low-income residents who were the most likely group of residents to lack health insurance coverage before passage of the federal act. Recently, Congress has been engaging in numerous attempts to repeal the federal act, threatening the health care coverage gains provided by it.

Research has shown that the expansion of health care coverage afforded by the federal act has improved medical care and health among low-income adults, especially those suffering from chronic conditions. In particular, the federal act's requirement that health insurers provide coverage for individuals with preexisting health conditions is crucial to ensuring wide access to health insurance.

Your Committee believes that this measure will ensure that Hawaii residents will continue to benefit from the most important protections created under the Patient Protection and Affordable Care Act of 2010, as amended, regardless of the outcome of its provisions at the federal level.

Your Committee has amended this measure by:

- (1) Applying consistent terminology for the types of insurance plans covered in the amendments affecting health maintenance organizations; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2340, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2340, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2712 Ways and Means on S.B. No. 2602

The purpose and intent of this measure is to ensure compliance with the State Procurement Code by executive departments, divisions, and agencies.

Specifically, this measure requires the State Procurement Policy Board to annually review and examine procurement contracts that are over \$50,000 of a minimum of two executive departments, divisions, or agencies.

Your Committee did not receive any written comments on this measure.

Your Committee finds that ensuring compliance with the State Procurement Code is essential to maintain public confidence in government. Your Committee further finds that the compliance examinations required by this measure will increase governmental compliance, efficiency, and transparency.

Your Committee has amended this measure by:

- (1) Clarifying that the State Procurement Policy Board shall prioritize the review of departments, divisions, or agencies based upon a pattern of noncompliance or based upon circumstances that may indicate an intent to circumvent the State Procurement Code;
- (2) Clarifying that in addition to the departments, divisions, or agencies prioritized by this measure, the State Procurement Policy Board shall also select any department, division, or agency for a compliance examination, provided that the selection may be random or as otherwise authorized by law;
- (3) Changing the effective date to January 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2602, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2602, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2713 Ways and Means on S.B. No. 2364

The purpose and intent of this measure is to ensure that employees who suffer from a workplace injury receive workers' compensation benefits in a timely manner.

Specifically, the measure facilitates payments to injured workers by:

- (1) Prohibiting any employer from denying a workers' compensation claim without reasonable cause or while the claim is pending investigation; and
- (2) Imposing fines and other penalties on any employer who continues to deny a workers' compensation claim without reasonable cause.

Your Committee received written comments in support of this measure from AHCS, the Hawaii Chapter of the American Physical Therapy Association, Hale Lea Medicine, ILWU Local 142, Vally Medical Group, WIMAH, and five individuals.

Your Committee received written comments in opposition to this measure from the Department of Labor and Industrial Relations and SHRM Hawaii.

Your Committee received written comments on this measure from the Hawaii Medical Association.

Your Committee finds that ongoing investigations of pending workers' compensation claims delay care for seriously injured workers, and patients waiting for follow up from insurance companies are often not compensated until decisions are rendered. These workers may be forced to return to work with serious injuries, find less suitable employment, or apply for public assistance. Your Committee finds that this measure will help to protect workers from employers who delay payments in bad faith.

Your Committee has amended this measure by:

- (1) Inserting a reference to Chapter 393, Hawaii Revised Statutes, which is the Prepaid Health Care Act;
- (2) Amending the notice to providers to more clearly convey that a provider of services forfeits the right to dispute an employer's denial of payment if the provider fails to submit a timely bill dispute request;
- (3) Clarifying that the service fee assessed against a party that has failed to negotiate in good faith is a fine;
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2364, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2364, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2714 Ways and Means on S.B. No. 2858

The purpose and intent of this measure is to improve the efficacy of the State's corrections program.

Specifically, the measure:

- (1) Requires the Department of Public Safety to establish key performance indicators or measures, to be incorporated in reports that evaluate the department's efforts to improve offender reentry and rehabilitation; and
- (2) Combines multiple specified annual reports of the Department of Public Safety into one consolidated annual report to the Legislature.

Your Committee received written comments in support of this measure from the Department of Public Safety; the Office of Hawaiian Affairs; 808RAN; Aloha Light Team; American Civil Liberties Union of Hawaii; Community Alliance on Prisons; Hawaii Justice Coalition; Ho'omanapono Political Action Committee; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Young Progressives Demanding Action - Hawaii; and seven individuals.

Your Committee finds that Act 8, First Special Session Laws of Hawaii 2007, enacted the Community Safety Act, which established a comprehensive offender reentry system within the Department of Public Safety. Your Committee believes that this measure will help to ensure the effectiveness and make improvements to the Department's rehabilitation and reentry programs by requiring annual reports on specific program indicators. Your Committee also finds that this measure facilitates administrative efficiency by consolidating a number of the Department's reporting requirements into one annual report.

Your Committee has amended this measure by:

- (1) Inserting language to clarify that Act 144, Session Laws of Hawaii 2007, section 4, was codified as section 353C-2(b);
- (2) Deleting references to two annual reports that are no longer required to be created under existing law;
- (3) Inserting language to clarify that if any of the cited reporting requirements is repealed or terminated, the consolidated report shall continue to be produced with the remaining reporting requirements;
- (4) Clarifying that the Department of Public Safety shall report on key performance indicators on a fiscal year basis;
- (5) Deleting redundant language related to the posting of reports of key performance indicators on the Department of Public Safety's website;
- (6) Making conforming amendments to the laws that establish the individual annual reports that are to be consolidated by this measure;
- (7) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (8) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2858, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2858, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2715 Ways and Means on S.B. No. 2366

The purpose and intent of this measure is to make the operations and proceedings of the Hawaii Labor Relations Board more efficient.

Specifically, the measure:

- (1) Authorizes the Hawaii Labor Relations Board to deliver its orders and decisions to parties electronically, and through a company designated by the board;
- (2) Extends, from forty days to ninety days, the time to hold a hearing on a complaint;
- (3) Establishes a collective bargaining dispute resolution special fund; and
- (4) Appropriates funds to the Hawaii Labor Relations Board for one full-time equivalent (1.0 FTE) attorney position, one full-time equivalent (1.0 FTE) chief clerk position, and travel and interpreter costs.

Your Committee received written comments in support of this measure from the Hawaii Labor Relations Board and one individual.

Your Committee received written comments on this measure from the Department of the Attorney General and the Department of Budget and Finance.

Your Committee finds that the electronic delivery of orders and decisions may reduce costs for the State. Your Committee also believes that extending the allowable period to hold hearings on complaints provides more time for any necessary discovery matters. Your Committee further finds that an additional attorney and chief clerk position for the Hawaii Labor Relations Board will enable the Board to render its decisions more efficiently.

Your Committee has amended this measure by:

- (1) Deleting an amendment to section 91-12, Hawaii Revised Statutes, to address concerns expressed by the Department of the Attorney General; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

Your Committee notes the concerns expressed by the Department of Budget and Finance that it is not clear whether the collective bargaining dispute resolution fund meets the statutory criteria to establish a special fund. Accordingly, your Committee respectfully requests that subsequent Committees to which this measure is referred consider this issue.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2366, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2366, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2716 Ways and Means on S.B. No. 2381

The purpose and intent of this measure is to allow for a more efficient system by which schools can be closed due to emergencies created by natural disasters.

More specifically, this measure authorizes a school's principal to close the school in the event of an emergency created by a natural disaster without consultation with, and approval from, the complex area superintendent.

Your Committee received written comments in support of this measure from the OCC Legislative Priorities Committee of the Democratic Party of Hawaii.

Your Committee finds that a school's principal is the most qualified administrator to make the decision to close a school in the event of an emergency created by a natural disaster. Your Committee believes that this measure will help ensure timely school closures and the safe evacuation of students and faculty.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2381, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2381, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2717 Ways and Means on S.B. No. 2572

The purpose and intent of this measure is to promote the cultivation of food and non-food alternative products in Hawaii.

More specifically, this measure:

- (1) Requires the Department of Agriculture to conduct import substitution projects to encourage Hawaii's farmers and growers to identify and grow food and non-food alternative products to phase out imports of high-risk pathway food and commodities by 2027, and appropriates moneys for these projects; and
- (2) Appropriates moneys for the Department of Agriculture to produce outreach materials to encourage Hawaii's residents to buy local products and to protect Hawaii's agriculture, environment, and lifestyle.

Your Committee received written comments in support of this measure from the Department of Agriculture; the Hawaii Farm Bureau Federation; Hoomana Pono, LLC; Ulupono Initiative; the OCC Legislative Priorities Committee of the Democratic Party of Hawaii; and three concerned individuals.

Your Committee finds that promoting the cultivation of food and non-food alternatives in Hawaii through import substitution projects and public outreach will help to expand Hawaii's agricultural industry and increase sustainability and self-sufficiency in Hawaii.

Your Committee has amended this measure by:

- (1) Changing the appropriation to the Department of Agriculture to conduct import substitution projects from \$250,000 to an unspecified amount;
- (2) Changing the appropriation to the Department of Agriculture to produce outreach materials from \$150,000 to an unspecified amount; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2572, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2572, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2718 Ways and Means on S.B. No. 2845

The purpose and intent of this measure is to assess wild seafood in the State and develop a functional plan for seafood sustainability that expands the State's priority on food by including wild seafood as a viable source.

More specifically, the measure:

- (1) Requires the Department of Agriculture to coordinate with the Office of Planning and the Department of Land and Natural Resources to prepare and periodically update the plan; and
- (2) Appropriates moneys to the Department of Agriculture to prepare and periodically update the plan.

Your Committee received written comments in support of this measure from the OCC Legislative Priorities Committee of the Democratic Party of Hawaii and four individuals.

Your Committee received written comments on this measure from the Board of Agriculture, the Department of Land and Natural Resources, and the Office of Planning.

Your Committee finds that wild seafood is a valuable food source for the State and that planning for the expansion of wild seafood as a viable food source will contribute to the State's food sustainability and self-sufficiency goals.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2845, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2845, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2719 Ways and Means on S.B. No. 3087

The purpose and intent of this measure is to expand the market for Hawaiian papayas.

Specifically, this measure appropriates moneys to the Agribusiness Development Corporation to:

- (1) Identify factors that affect the quality of Hawaiian papayas; and
- (2) Develop and establish protocols to enhance the marketability of Hawaiian papayas.

Your Committee received written comments in support of this measure from the Department of Agriculture; the Agribusiness Development Corporation; the Office of the Mayor of the County of Hawaii; and the OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee finds that the marketability of Hawaiian papayas could benefit from research related to improving the product and efforts to optimize the system that processes, delivers, and markets the product. Your Committee believes that the establishment of a market standard for Hawaiian papayas will encourage good practices when local farmers grow and harvest papaya.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3087, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3087, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2720 Ways and Means on S.B. No. 2919

The purpose and intent of this measure is to maximize the use of public library lands.

More specifically, this measure:

- (1) Establishes and appropriates general funds for a pilot program to lease public library lands to meet the mission of the public libraries;
- (2) Establishes the library facilities fund, the moneys of which are to be used for state library programs; and
- (3) Requires the Board of Education to submit to the Legislature reports on the pilot program.

Your Committee received written comments in support of this measure from the Hawaii State Public Library System and the OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that although public libraries are valuable resources, the State should consider new ways of generating funds to support the purposes of the libraries. Your Committee believes that the lease of public library lands may be an appropriate source of such funding.

Your Committee has amended this measure by:

- (1) Correcting an erroneous reference to the library facilities fund;
- (2) Extending the deadline for the Board of Education's first annual report to the Legislature to twenty days prior to the convening of the Regular Session of 2020;
- (3) Appropriating an unspecified amount from the general revenues of the State to the Hawaii State Public Library System for the hiring of experts in land development issues;
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2919, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2919, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2721 Ways and Means on S.B. No. 2239

The purpose and intent of this measure is to assist certain students in paying for SAT or ACT registration fees.

More specifically, this measure appropriates moneys to the Department of Education to pay for SAT or ACT registration fees for:

- (1) Public school students in twelfth grade; and
- (2) Public charter school students in the eleventh or twelfth grade,

who have not taken the SAT or ACT.

Your Committee received written comments in support of this measure from the State Public Charter School Commission, the OCC Legislative Priorities Committee of the Democratic Party of Hawaii, and one concerned individual.

Your Committee received written comments on this measure from the Department of Education.

Your Committee recognizes that the Department of Education currently covers the cost of all eleventh grade students to take a college admission test. However, your Committee believes that it is important to extend access to these tests to public charter school students and public school students who were unable to take the test in the eleventh grade.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$150,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2239, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2239, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2722 Ways and Means on S.B. No. 2085

The purpose and intent of this measure is to establish a grant program to support farms and agribusiness operations.

Specifically, this measure:

- (1) Establishes the Agribusiness Development Corporation grant program to provide grants for agriculture-related projects and improvements;
- (2) Establishes requirements to qualify for the grants through the program;
- (3) Authorizes the Agribusiness Development Corporation to award grants; and
- (4) Appropriates an unspecified amount for the program.

Your Committee received written comments in support of this measure from the Board of Agriculture, Agribusiness Development Corporation, Hawaii Cattlemen's Council, Hawaii Farm Bureau Federation, Land Use Research Foundation of Hawaii, Ulupono Initiative, OCC Legislative Priorities Committee of the Democratic Party of Hawaii, and Ho'omanapono Political Action Committee.

Your Committee finds that many farmers and ranchers who wish to increase their farm's capacity and efficiency have difficulty securing financial support for their operations. A grant program will provide these farmers and ranchers with the necessary capital to modernize and expand their facilities, and this assistance will reduce the cost of production and allow locally-produced goods to better compete with imported products.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2085, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2085, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2723 Ways and Means on S.B. No. 2839

The purpose and intent of this measure is to promote and support diversified agriculture in the State by authorizing agricultural enterprises on lands under the authority of the Department of Agriculture.

Specifically, this measure:

- (1) Authorizes the Department of Agriculture to create and alter facilities on lands under its jurisdiction;
- (2) Authorizes the Department of Agriculture to accept agricultural enterprises and agricultural enterprise lands from the Department of Land and Natural Resources;
- (3) Establishes the Agricultural Enterprise Program within the Department of Agriculture to manage agricultural enterprises and agricultural enterprise lands; and
- (4) Appropriates funds and positions for infrastructure on lands under the jurisdiction of the Department of Agriculture.

Your Committee received written comments in support of this measure from the Board of Agriculture, Oahu County Committee Legislative Priorities Committee of the Democratic Party of Hawai'i, Ulupono Initiative, Ho'omanapono Political Action Committee, and the Hawaii Cattlemen's Council.

Your Committee finds that in addition to growing crops and raising livestock, the business of agriculture requires training, markets, food hubs, processing facilities, animal feed mills, and other facilities. This measure will address infrastructure needs of farmers by authorizing the Department of Agriculture to plan, design, construct, operate, manage, maintain, repair, demolish, and remove various infrastructure elements on Department of Agriculture lands as necessary to support Hawaii's agriculture industry.

Your Committee has amended this measure by:

- (1) Changing the amounts appropriated to unspecified amounts;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2839, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2839, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2724 Ways and Means on S.B. No. 2779

The purpose and intent of this measure is to update provisions relating to the Hawaii Teacher Standards Board.

Specifically, this measure:

- (1) Increases membership on the Hawaii Teacher Standards Board to include the Chairperson of the Native Hawaiian Education Council and a nonvoting public university student teacher; and
- (2) Clarifies that a permit is required for unlicensed teachers serving in public schools.

Your Committee received written comments in support of this measure from the Hawaii Teacher Standards Board, Department of Education, University of Hawaii System, Office of Hawaiian Affairs, Hawaiian Civic Club of Honolulu, and twelve individuals.

Your Committee finds that increasing the diversity of the Hawaii Teacher Standards Board to include a representative of the Native Hawaiian Education Council and a student teacher will ensure that the needs and perspectives of Native Hawaiians and future teachers are considered in developing rules and policies relating to teacher licensure.

Your Committee has amended this measure by:

- (1) Clarifying that a representative, rather than the Chairperson, of the Native Hawaiian Education Council shall serve on the Hawaii Teacher Standards Board to be appointed by the Governor pursuant to section 26-34, Hawaii Revised Statutes;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2779, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2779, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2725 (Majority) Ways and Means on S.B. No. 2585

The purpose and intent of this measure is to provide graduate student assistants employed by the University of Hawaii with the right to organize for the purpose of collective bargaining.

Specifically, this measure establishes collective bargaining unit (15) to consist of graduate student assistants employed by the University of Hawaii.

Your Committee received written comments in support of this measure from the Hawaii Government Employees Association, Hawaii State Teachers Association, Academic Labor United, IMUAlliance, Hawaii State AFL-CIO, and eight individuals.

Your Committee received written comments in opposition to this measure from the Department of Budget and Finance, University of Hawaii System, Office of Collective Bargaining, and one individual.

Your Committee finds that graduate student assistants at the University of Hawaii have reported inconsistencies in the workplace regarding job security, wages, and salary increases, and no provision of sick days or family leave. This measure will allow graduate student assistants to organize for the purpose of collective bargaining so that they may negotiate for fair salaries, benefits, and rights.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making a technical nonsubstantive amendment for purposes of style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2585, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2585, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 2 (Harimoto, Riviere). Excused, 1 (Shimabukuro).

SCRep. 2726 Ways and Means on S.B. No. 2667

The purpose and intent of this measure is to affirm the State's commitment to conservation and sustainability by codifying in state law the goal, clean water and sanitation, of the United Nations Sustainable Development Goals and indicators.

Your Committee received testimony in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, Office of Hawaiian Affairs, Oahu Economic Development Board, Hawaii Green Growth, OCC Legislative Priorities, Sierra Club of Hawaii, and four individuals.

Your Committee received comments on this measure from the Office of Planning and Hawaii Farm Bureau Federation.

Your Committee finds that in order for Hawaii to continue to serve as an example for the rest of the world in setting policies on sustainability and to serve as a global leader on issues of conservation and sustainability, it is essential that the State demonstrate its full commitment to its own policies and goals as well as goals set by the United Nations.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2667, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2667, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Inouye, Wakai).

SCRep. 2727 Ways and Means on S.B. No. 2556

The purpose and intent of this measure is to establish a special fund into which revenues from the industrial hemp pilot program may be deposited.

Specifically, this measure:

- (1) Establishes the industrial hemp special fund for the fees collected by the Department of Agriculture in connection with the industrial hemp pilot program;
- (2) Authorizes the Department of Agriculture to expend the moneys in the special fund;
- (3) Specifies that the moneys in the special fund shall remain available until obligated or until the special fund is terminated; and
- (4) Provides instructions on the disbursement of the moneys remaining in the special fund upon termination of the fund.

Your Committee received written comments in support of this measure from the Department of Agriculture; the Hawaii Farm Bureau Federation; Ho'omanapono Political Action Committee; Ho'omana Pono, LLC; OCC Legislative Priorities Committee of the Democratic Party of Hawaii; the Drug Policy Forum; and four individuals.

Your Committee received written comments on this measure from the Department of the Attorney General.

Your Committee finds that Part II of Chapter 141, Hawaii Revised Statutes, authorizes the Department of Agriculture to collect various fees and assess fines related to the industrial hemp pilot program. Requiring the department to deposit the fees into a special fund will promote transparency, help track revenues of the program, and guide the department in adjusting the fee amounts to ensure that the program is financially self-sustaining.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the moneys deposited into the industrial hemp special fund remain available until they are obligated or until the special fund is terminated, because that requirement could be interpreted to allow for the expenditure of the moneys without an appropriation in violation of Article VII, Section 5 of the Hawaii State Constitution; and

- (2) Deleting the requirements regarding the transfer of funds and disbursement of balances if the special fund is terminated, since those requirements would be more appropriately established by an Act repealing the fund.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2556, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2556, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2728 Ways and Means on S.B. No. 2186

The purpose and intent of this measure is to raise the fireworks display permit fee from \$110 to \$300.

Your Committee received written comments in support of this measure from the Hawaii State Fire Council, the County of Maui Department of Fire and Public Safety, the County of Hawaii Fire Department, and the Kauai Fire Department.

Your Committee received written comments in opposition to this measure from Hoomanapono Political Action Committee.

Your Committee finds that the fireworks display permit fee has remained unchanged for fourteen years, while the costs associated with processing the permits have risen. Therefore, your Committee believes that increasing the fee is reasonable.

Your Committee has amended this measure by making a technical nonsubstantive change for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2186, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2186, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2729 Ways and Means on S.B. No. 2581

The purpose and intent of this measure is to amend the laws relating to the governance and administration of the King Kamehameha Celebration Commission.

Specifically, the measure:

- (1) Adds the Daughters of Hawaii and one member from Lanai to the King Kamehameha Celebration Commission;
- (2) Increases the number of members on the commission from thirteen to fifteen to account for these additions to the Commission; and
- (3) Establishes the position of Executive Director of the Commission, who shall be appointed by the Commission.

Your Committee received written comments in support of this measure from the OCC Legislative Priorities Committee of the Democratic Party of Hawaii; Hoomana Pono, LLC; the Daughters of Hawaii; and three members of the King Kamehameha Celebration Commission.

Your Committee received written comments in opposition to this measure from a private individual.

Your Committee received written comments on this measure from a private individual.

Your Committee finds that the inclusion of the Daughters of Hawaii and an individual member from the island of Lanai in the King Kamehameha Celebration Commission would offer broader representation on the Commission. Your Committee also finds that establishing an Executive Director of the Commission would provide greater administrative guidance to the Commission in its operations.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2581, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2581, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2730 Ways and Means on S.B. No. 3000

The purpose and intent of this measure is to support Hawaii-based businesses involved in research and development.

Specifically, this measure establishes the Research and Development Program within the Hawaii Technology Development Corporation to:

- (1) Support product development, technology transfer, and commercialization;
- (2) Provide funding to assist Hawaii-based businesses to reach commercial success and achieve significant product development;

- (3) Retain in, and attract to, Hawaii technology employees, engineers, and scientists; and
- (4) Keep technology companies in Hawaii.

Your Committee received written comments in support of this measure from the Hawaii Technology Development Corporation; Makai Ocean Engineering, Inc.; Oceanit Laboratories, Inc.; Navatek; Chamber of Commerce Hawaii; Oahu County Committee Legislative Priorities Committee of the Democratic Party of Hawaii; and three individuals.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that the vision of the Hawaii Technology Development Corporation is to create 80,000 new innovation jobs in Hawaii earning \$80,000 or more by the year 2030. This measure will help to expand the benefits provided by federal research and development tax credits to Hawaii companies, by providing additional funding for those companies to develop their products, reach technical milestones, and achieve commercial success.

Your Committee has amended this measure by:

- (1) Clarifying that the activities of the Research and Development Program shall be subject to available funds;
- (2) Clarifying language concerning the duties of the program;
- (3) Specifying how proof of federal research and development tax credits received by Hawaii-based small businesses shall be provided to the program;
- (4) Clarifying that funding provided by the program shall be in the form of a grant;
- (5) Defining the terms “Hawaii-based small business” and “resident”;
- (6) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (7) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3000, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3000, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2731 Ways and Means on S.B. No. 3068

The purpose and intent of this measure is to address immediate and long-term threats from climate change and sea level rise to the State’s economy, sustainability, security, and way of life.

More specifically, the measure:

- (1) Implements recommendations of the 2017 Hawaii Sea Level Rise Vulnerability and Adaptation Report by the Hawaii Climate Change Mitigation and Adaptation Commission; and
- (2) Appropriates moneys to state agencies and the counties to implement the report’s recommendations.

Your Committee received written comments in support of this measure from the Office of Climate Change, Sustainability and Resiliency of the City and County of Honolulu; the Board of Water Supply of the City and County of Honolulu; the Oahu County Committee Legislative Priorities Committee, Democratic Party of Hawaii; and three individuals.

Your Committee received written comments on this measure from the Department of Land and Natural Resources, the Office of Planning, and the Land Use Commission.

Your Committee finds that climate change and sea level rise pose immediate and long-term threats to the State and that Act 32, Session Laws of Hawaii 2017, established the Hawaii Climate Change Mitigation and Adaptation Commission (Commission) to help address those threats.

Act 32 directed the Commission to develop sea level rise vulnerability and adaptation reports that include:

- (1) Identification of the major areas of sea level rise impacts affecting the State and counties through 2050;
- (2) Identification of expected impacts of sea level rise based on the latest scientific research for each area through 2050;
- (3) Identification of the economic ramifications of sea level rise;
- (4) Identification of applicable federal laws, policies, or programs that impact affected areas; and
- (5) Recommendations for planning, management, and adaptation for hazards associated with increasing sea level rise.

The Hawaii Sea Level Rise Vulnerability and Adaptation Report submitted by the Commission in December 2017 identifies in detail those areas of the State that are susceptible to sea level rise impacts based on a projected 3.2-foot increase in sea level by mid-century or earlier.

The Commission designated these vulnerable areas as the sea level rise exposure area projection and recommended that a sea level rise exposure area overlay be adopted to guide state and county adaptation strategies and standards for development. The report also recommended that state and county agencies adopt emerging good practices to strengthen the State’s overall readiness to address sea level rise and climate change.

Accordingly, this measure implements recommendations of the 2017 Hawaii Sea Level Rise Vulnerability and Adaptation Report.

Your Committee has amended this measure by:

- (1) Correcting certain references, inserting omitted words, and refining definitions as necessary;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3068, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3068, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2732 Ways and Means on S.B. No. 2312

The purpose and intent of this measure is to require that grant applicants are in good standing with state and county requirements in order to receive a grant pursuant to Chapter 42F, Hawaii Revised Statutes.

Specifically, this measure adds the requirements that grants shall only be awarded to organizations that provide:

- (1) A copy of the organization's bylaws or policies;
- (2) A certificate of good standing from the Department of Commerce and Consumer Affairs;
- (3) A current tax clearance;
- (4) Proof that the organization is current on real property taxes;
- (5) Proof that they have been granted tax exempt status under section 501(c)(3) of the Internal Revenue Code;
- (6) Proof of registration under Hawaii's charitable solicitation statute; and
- (7) Recent tax documents.

Your Committee received written comments in support of this measure from the Department of the Attorney General, Hawaii Youth Services Network, and one individual.

Your Committee finds that this measure will help to ensure that applicants for grants of public moneys are in good standing and in compliance with applicable federal and state tax laws.

Your Committee has amended this measure by making a technical nonsubstantive amendment for purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2312, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2312, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2733 Ways and Means on S.B. No. 2493

The purpose and intent of this measure is to delay the implementation until January 1, 2020, of the producer licensing requirements amended by Act 152, Session Laws of Hawaii 2017.

Your Committee received written comments in support of this measure from the Hawaii Insurers Council and the National Association of Insurance and Financial Advisors – Hawaii.

Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that Act 152, Session Laws of Hawaii 2017, conforms the State's producer licensing requirements to the National Association of Insurance Commissioners' Producer Licensing Model Act by eliminating producer-to-producer appointments. Due to the large number of independent producers in Hawaii and the number of contracts between insurers and independent producers that need to be finalized, however, a delay in implementation of the producer licensing requirements is needed in order to ensure full compliance.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2493, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2493, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2734 (Majority) Ways and Means on S.B. No. 2924

The purpose and intent of this measure is to ensure that the individual mandate for health insurance coverage afforded under the federal Patient Protection and Affordable Care Act of 2010, as amended, is preserved under Hawaii law.

Specifically, this measure requires qualified taxpayers to obtain and maintain affordable, creditable coverage for each of the twelve months of the taxable year at the risk of incurring a tax penalty. Additionally, this measure requires the Insurance Commissioner to establish a process to determine which health plans are considered affordable.

Your Committee received written comments in support of this measure from IMUAlliance; Kaiser Permanente; Planned Parenthood Votes Northwest and Hawaii; The Queen's Health Systems; and one concerned individual.

Your Committee received written comments in opposition to this measure from two concerned individuals.

Your Committee received written comments on this measure from the Department of Commerce and Consumer Affairs, Insurance Division; Department of Taxation; Hawaii Medical Service Association; Samaritan Ministries; Samaritan Ministries International; and twelve concerned individuals.

Your Committee finds that, with the enactment of the federal Patient Protection and Affordable Care Act of 2010, as amended, many more of the State's residents were able to obtain affordable health insurance. Consequently, the number of uninsured individuals in the State declined by forty-six per cent between 2013 and 2016. However, recent federal tax legislation has reduced the federal individual mandate penalty to zero, which has caused uncertainty about the sustainability of the individual insurance market in Hawaii. Your Committee believes that a state-level individual insurance mandate will provide a measure of certainty and stability to Hawaii's individual insurance market.

Your Committee has amended this measure by making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2924, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2924, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, 1 (Riviere). Excused, 1 (Shimabukuro).

SCRep. 2735 (Majority) Ways and Means on S.B. No. 2909

The purpose and intent of this measure is to consolidate the State's law enforcement functions.

More specifically, this measure:

- (1) Establishes an enforcement division in the Department of the Attorney General;
- (2) Transfers the law enforcement activities of the Department of Land and Natural Resources' Division of Conservation and Resources Enforcement, the Department of Public Safety's state law enforcement officers and narcotics enforcement division, and the Department of Transportation's harbors division to the newly-established enforcement division of the Department of the Attorney General; and
- (3) Repeals the sunset date of Act 116, Session Laws of Hawaii 2013, as amended by section 4 of Act 101, Session Laws of Hawaii 2015.

Your Committee received written comments in support of this measure from the Hawaii Government Employees Association and two individuals.

Your Committee received written comments in opposition to this measure from the Department of the Attorney General, Department of Land and Natural Resources, Department of Public Safety, Department of Transportation, The Nature Conservancy, and one individual.

Your Committee finds that consolidating all of the State's law enforcement functions under the Department of the Attorney General may lead to improved efficiency in law enforcement across the State.

Your Committee has amended this measure by:

- (1) Deleting an obsolete reference;
- (2) Changing the effective date to January 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2909, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2909, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 2 (Harimoto, Riviere). Excused, 1 (Shimabukuro).

SCRep. 2736 Ways and Means on S.B. No. 2658

The purpose and intent of this measure is to appropriate funds for the purchase of two ambulance vehicles and related operational costs.

Specifically, this measure appropriates an unspecified sum for the purchase of one ambulance vehicle each for the counties of Kauai and Hawaii and for corresponding operating costs, including equipment, supplies, and personnel costs for state-certified emergency medical service personnel.

Your Committee received written comments in support of this measure from the Mayor of the County of Hawaii; the Fire Department of the County of Hawaii; two members of the Hawaii County Council; six members of the Kauai County Council; American Medical Response; Hawaii Pacific Health; Wilcox Medical Center; Hawaii Fire Fighters Association, Local 1463; OCC Legislative Priorities Committee of the Democratic Party of Hawaii; and five individuals.

Your Committee received written comments on this measure from the Department of Health and the Emergency Medical Services Division of the City and County of Honolulu Emergency Services Department.

Your Committee finds that ambulance response times within the counties of Hawaii and Kauai are among the longest in the State due to population growth that has not been accompanied by a corresponding increase in ambulance vehicles. This measure will provide additional ambulance units to those counties to improve medical emergency response times.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2658, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2658, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2737 Ways and Means on S.B. No. 2803

The purpose and intent of this measure is to make amendments to the boiler and elevator safety law.

Specifically, this measure:

- (1) Updates boiler and elevator safety laws by making housekeeping amendments to delete obsolete language;
- (2) Renames the boiler and elevator special fund as the boiler and elevator revolving fund; and
- (3) Extends, from five to ten years, the schedule for reimbursement to the general fund of appropriations made to establish the boiler and elevator special fund.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations.

Your Committee finds that as currently written, the boiler and elevator safety law contains various definitions that either are no longer a part of applicable standards, have transitioned to the jurisdiction of other work groups, are excluded from the American Society of Mechanical Engineers Safety codes, or are non-existent in Hawaii. Therefore, your Committee finds that it is necessary to update this law to comply with national standards.

Your Committee further finds that extending the reimbursement schedule for moneys appropriated from the general fund to the boiler and elevator special fund will help to allow safety operations to continue while maintaining a feasible payment schedule.

Your Committee has amended this measure by making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2803, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2803, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (English, Kahele, Keith-Agaran, Wakai).

SCRep. 2738 Ways and Means on S.B. No. 2801

The purpose and intent of this measure is to enhance the Department of Labor and Industrial Relations' ability to enforce the State's labor laws.

Specifically, the measure:

- (1) Creates the labor law enforcement special fund to finance the collection of penalties and fees for violations of labor law;
- (2) Establishes two positions (an attorney and a legal assistant) in the Department of the Attorney General to represent the Department of Labor and Industrial Relations in collecting penalties for violations of law; and
- (3) Appropriates moneys to effectuate the purposes of this measure.

Your Committee received written comments in support of this measure from IMUAlliance and one individual.

Your Committee finds that it is necessary to provide for sufficient operating costs to collect fees for violations of labor law. The establishment of a special fund, and the hiring of an attorney and a legal assistant, will provide the needed resources and allow the State to more effectively collect penalties and enforce the State's labor laws.

Your Committee has amended this measure by:

- (1) Changing the appropriation amounts to unspecified amounts; and

- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2801, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2801, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2739 Ways and Means on S.B. No. 2744

The purpose and intent of this measure is to automatically increase penalties for false claims to the State to maintain consistency with the federal False Claims Act and to comply with the Federal Civil Penalties Inflation Adjustment Act of 1990.

Your Committee received no written comments on the measure.

Your Committee finds that this measure addresses a federal mandate that the penalties for false claims to the State must equal or exceed corresponding provisions in the federal False Claims Act.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2744, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2744, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (English, Kahele, Keith-Agaran, Wakai).

SCRep. 2740 Ways and Means on S.B. No. 2199

The purpose and intent of this measure is to authorize the State to apply for a waiver from certain provisions of the federal Patient Protection and Affordable Care Act of 2010, for implementation on or after January 1, 2019, upon approval by the United States Secretaries of Health and Human Services and the Treasury.

Your Committee received written comments in support of this measure from the Department of Human Services, Department of Commerce and Consumer Affairs Insurance Division, Kaiser Permanente, and Hawaii Medical Service Association.

Your Committee received written comments in opposition to this measure from one individual.

One individual submitted written comments on this measure.

Your Committee finds that the federal Patient Protection and Affordable Care Act encourages states to develop innovative approaches to providing access to health insurance and authorizes the states to apply for waivers to implement these reforms. This measure will help to implement the recommendations of the Affordable Health Insurance Working Group, convened pursuant to Act 43, Session Laws of Hawaii 2017, which recommended that Hawaii explore the possibility of a state reinsurance program for the individual health insurance market.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2199, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2199, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2741 Ways and Means on S.B. No. 641

The purpose and intent of this measure is to add the Chairperson of the Hawaiian Homes Commission, or the Chairperson's designee, as an ex officio, voting member of the Commission on Water Resources Management.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, the Department of Hawaiian Home Lands, Hoomanapono Political Action Committee, the OCC Legislative Priorities Committee of the Democratic Party of Hawaii, Ka Lahui Hawaii Political Action Committee, and three concerned individuals.

Your Committee received written comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that adding the Chairperson of the Hawaiian Homes Commission to the Commission on Water Resources Management would ensure that the State's implementation of the State Water Code properly fulfills section 174C-101(a), Hawaii Revised Statutes, relating to Native Hawaiian water rights. Your Committee believes that this measure will enable greater advocacy for the Department of Hawaiian Home Lands beneficiaries and greater consideration of the Department of Hawaiian Home Lands water rights in the Commission on Water Resources Management's decision making.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and

(2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 641, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 641, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2742 Ways and Means on S.B. No. 2073

The purpose and intent of this measure is to clarify that the funds appropriated by Act 183, Session Laws of Hawaii 2017, shall be deposited into the food safety certification costs grant program special fund and that the same amount shall be appropriated out of the special fund for fiscal year 2018-2019.

Your Committee received comments in support of this measure from the Department of Agriculture, the Hawai'i Farm Bureau, the Ulupono Initiative and one individual.

Your Committee finds that additional resources for food safety certification can be facilitated by appropriating funds for the food safety certification costs grant program special fund. Act 183, Session Laws of Hawaii 2017, provided an appropriation of general funds for this purpose, but that Act failed to include instructions to deposit the appropriated moneys into the special fund, and then appropriate moneys out of the special fund for expenditure. This measure rectifies the oversight.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2073, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2073, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2743 Ways and Means on S.B. No. 2150

The purpose and intent of this measure is to appropriate supplemental funds for the operating and capital improvement costs of the Judiciary for the fiscal biennium 2017-2019.

Your Committee received testimony in support of this measure from the Judiciary, Hawaii State Bar Association, West Hawaii Bar Association, Legal Aid Society of Hawaii, and two individuals.

OPERATING BUDGET

Your Committee notes that the Judiciary requested an increase of \$1,567,469 for fiscal year 2018-2019 in general funds. Your Committee has approved an increase of \$1,310,118 for fiscal year 2018-2019 in general funds for the Judiciary's operating budget.

With the adjustments contained in this measure, the total general fund appropriation for the Judiciary is \$164,408,585 for fiscal year 2018-2019.

CAPITAL BUDGET

Your Committee finds that the Kauai Judiciary Complex is in need of roof work. Your Committee therefore approves \$1,100,000 in fiscal year 2018-2019 in general obligation bond funds to reroof and repair leaks at the Kauai Judiciary Complex, Kauai.

Your Committee also provides \$1,500,000 in fiscal year 2018-2019 in general obligation bond funds for alterations, upgrades, and improvements to judiciary facilities, statewide.

Your Committee appropriates \$1,933,000 in fiscal year 2018-2019 in general obligation bond funds to provide furnishings and equipment for the Kona Judiciary Complex, Hawaii.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2150, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2150, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 5 (Kahele, Kidani, Riviere, Shimabukuro, Wakai).

SCRep. 2744 Ways and Means on S.B. No. 2939

The purpose and intent of this measure is to protect consumers by proactively ensuring that the existing utility business and regulatory model will be updated for the twenty-first century by requiring that electric utility rates be considered just and reasonable only if the rates are derived from a performance-based model for determining utility revenues.

Your Committee received written comments in support of this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs and the Sierra Club of Hawaii.

Your Committee received written comments in opposition to this measure from the Hawaiian Electric Company, Inc.

Your Committee received written comments on this measure from the Public Utilities Commission.

Your Committee finds that the existing regulatory compact misaligns the interests of customers and utilities because it may result in a bias toward expending utility capital on utility-owned projects that may displace more efficient or cost-effective options, such as distributed energy resources owned by customers or projects implemented by independent third parties. Your Committee believes that the benchmarks and performance mechanisms established in this measure will promote decisions and strategies that will maximize public benefit, reduce ratepayer risk, and meet Hawaii's energy goals.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2939, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2939, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2745 Commerce, Consumer Protection, and Health on S.B. No. 2930

The purpose and intent of this measure is to protect the State's underground drinking water sources and surrounding environment by requiring the Department of Health to adopt rules for underground storage tanks, tank systems, and related piping that conform with 2015 revisions to federal regulations and include additional requirements no less stringent than any regulation established pursuant to federal law for certain field-constructed underground storage tanks, including compliance with certain requirements in chapter 11-281, Hawaii Administrative Rules, or successor rules.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Board of Water Supply of the City and County of Honolulu, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, League of Women Voters of Hawaii, IMUAlliance, Hawaiian Civic Club of Honolulu, Environmental Caucus of the Democratic Party of Hawaii, and twenty-three individuals. Your Committee received testimony in opposition to this measure from the United States Department of the Navy, Chamber of Commerce of Hawaii, and three individuals. Your Committee received comments on this measure from the Department of Health; Commander, United States Pacific Command; and Sierra Club.

Your Committee finds that the lands and waters of Hawaii are unique and delicately balanced resources, which are vital to the economy of the State, and that the protection of groundwater is a matter of the highest priority.

Your Committee finds that the underground storage of petroleum products and hazardous substances with potential spills, discharges, and leaks, can pose serious threats to the environment and thus to citizens of the State. Your Committee further finds that the Red Hill bulk fuel storage facility (Red Hill) stores more fuel in a single location than any other underground storage tank system in Hawaii, storing up to 187 million gallons of fuel per day.

Your Committee notes the concerns raised by the United States Department of the Navy, including that the Navy has already reached an agreement with the Environmental Protection Agency (EPA) setting a timeframe to renovate Red Hill by 2037. Your Committee notes that this measure, as drafted, includes a deadline no later than 2028.

Your Committee also finds that it is of the utmost importance to resolve the issues raised by potential leaks at Red Hill without recourse to further litigation and to conform with existing EPA agreements in order for Hawaii to maintain autonomy and control over its own environmental regulation. Your Committee finds that this is especially true in light of the lack of environmental concern at the federal regulatory level.

Your Committee also finds that the Department of Health and Department of the Attorney General are capable of completing the rulemaking contemplated by this measure by October 13, 2018, provided that the court overseeing litigation with respect to Red Hill renders a final decision in a timely fashion; your Committee notes that the final decision remains uncertain but that the substance of the court order is likely to be addressed by this measure. Your Committee finds that the October 13, 2018, deadline to adopt rules at least as stringent as existing federal regulations was imposed by the EPA and that failure to comply would affect federal approval of the State's underground storage tank environmental regulatory program. Your Committee recognizes the imminency of the October 13, 2018, deadline and the difficulty of the rulemaking process and finds that advancing this measure is necessary to allow the State to comply with the EPA deadline and preemptively address the anticipated results of the existing litigation over Red Hill through legislation.

Your Committee has also heard concerns from the Department of Health and Department of the Attorney General that some language in section 1 of this measure may be inaccurate or imprecise. Your Committee has received proposed language from the Departments to address these issues and finds that amendments are necessary to incorporate this language into the measure.

Your Committee finds that further discussion of this measure is warranted, including with respect to the deadlines for compliance. In response to questioning by your Committee, the Department of Health and Department of the Attorney General indicated that providing a timeline of the proposed rulemaking would be feasible; your Committee urges the Departments to provide such a timeline to the Legislature as soon as possible.

Your Committee has amended this measure by:

- (1) Amending section 1 to correct inaccurate information and clarify imprecise language;
- (2) Inserting blank dates for the deadlines to take out of service and to permanently close underground storage tanks and tank systems that fail to comply with new rules;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2930, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2930, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2746 Judiciary on S.B. No. 2974

The purpose and intent of this measure is to codify the Uniform Certificate of Title for Vessels Act to:

- (1) Require certain vessel owners to apply for a certificate of title within twenty days of becoming an owner or within twenty days of establishing principal use of the vessel in waters of the State; and
- (2) Establish what information is required to be included in an application for certificate of title for a vessel; how to deal with transfer of vessel ownership and title; rights of a secured party; and rights of a purchaser other than a secured party.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Commission to Promote Uniform Legislation; and Ho'omana Pono, LLC. Your Committee received comments on this measure from the Civil Beat Law Center for the Public Interest.

Your Committee finds that vessels under the jurisdiction of the Department of Land and Natural Resources that do not have a United States Coast Guard documentation number are only required to obtain a certificate of number with the Department's Division of Boating and Ocean Resources' Vessel Registration Office, which does not ensure that a vessel has not been stolen and can lead to extensive fraud. This measure will improve the ability of the Department of Land and Natural Resources to reduce the number of stolen vessels being fraudulently registered in the State.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of Land and Natural Resources to specify that information collected in the process of title registration shall be confidential; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2974, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2974, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 2747 Judiciary on S.B. No. 3083

The purpose and intent of this measure is to clarify that certain types of remuneration received by an owner of private property who in good faith provides emergency access to land, shelter, or subsistence during a disaster shall not disqualify the owner from receiving the exemption provided under section 663-10.7, Hawaii Revised Statutes, from civil liability for any resulting injury or damage.

Your Committee received testimony in support of this measure from the Department of Emergency Management of the City and County of Honolulu and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Hawaii Association for Justice.

Your Committee finds that ensuring citizens have access to adequate land, shelter, and subsistence during a disaster is a vital interest of the State. In many cases, owners of private property are reluctant to make their property or facilities available to the general public for use as emergency shelter due to concerns about liability. Act 291, Session Laws of Hawaii 2012, exempts from civil liability for injury or damage an owner of private property who provides, in good faith, emergency access to land, shelter, or subsistence during a disaster, without remuneration or expectation of remuneration, with certain exceptions. At present, it is unclear whether the exemption from civil liability applies if the persons being sheltered are paying guests of a transient accommodation, wards of healthcare facilities, students of an educational facility, or buyers of commodities sold by the property owner. This measure clarifies the definition of remuneration as it applies to compensation received by owners of private transient accommodations; hospitals, care homes, or healthcare agencies; or day care, preschool, or educational facilities and provides that such compensation shall not disqualify an owner from receiving the exemption from liability unless the owner violates the prohibition against price gouging.

Your Committee further finds that the ballistic missile alert that was broadcast in error to the public on January 13, 2018, has highlighted a need for additional public emergency shelters throughout the State. Senate Bill No. 2534, Regular Session of 2018, contains substantive provisions that would increase the number of emergency shelters open to the public. Your Committee notes that Senate Bill No. 2534 was originally referred to your Committee on Public Safety, Intergovernmental, and Military Affairs, and that further discussion on the language from that measure is necessary.

Your Committee has amended this measure by:

- (1) Adding a new part to include the substantive provisions of Senate Bill No. 2534, Regular Session of 2018, which:
 - (A) Requires the owners of buildings open to the public to provide shelter to visiting members of the public in cases of emergency or disaster;
 - (B) Requires the owners of buildings open to the public to inform the appropriate county emergency management agency of the designated shelter area; and

- (C) Provides immunity from civil liability for owners of buildings open to the public who provide shelter to visiting members of the public in cases of emergency or disaster;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3083, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3083, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2748 Water and Land on S.B. No. 2969

The purpose and intent of this measure is to reduce the size threshold for a single-family residence that is not part of a larger development to be excluded from the definition of “development” for purposes of the special management areas law.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and Planning Department of the County of Kaua‘i. Your Committee received testimony in opposition to this measure from the Building Industry Association of Hawaii. Your Committee received comments on this measure from the Office of Planning, Department of Planning and Permitting of the City and County of Honolulu, and Department of Planning of the County of Maui.

Your Committee finds that a reduction in the floor area threshold of a single-family residence will offer further opportunity for the county planning departments to review potential cumulative impacts, or significant environmental or ecological effects, from construction or reconstruction of a single-family residence in a special management area.

Your Committee notes the written testimony submitted by the Department of Land and Natural Resources indicating that the Hawaii Sea Level Rise Vulnerability and Adaptation Report approved by the Hawaii Climate Change Mitigation and Adaptation Commission recommended sea level rise vulnerability considerations to be integrated into coastal zone management laws. Your Committee further notes a suggestion made by a county planning department to allow each county planning authority to determine a size threshold that is less than the size threshold proposed under this measure.

Accordingly, your Committee has amended this measure by:

- (1) Amending section 1 to more thoroughly reflect its purpose;
- (2) Reducing the size threshold to two thousand square feet of floor area for a single-family residence to be excluded from the definition of development used in the special management areas law;
- (3) Authorizing each county planning authority to determine a size threshold that is less than two thousand square feet of floor area for a single-family residence to be excluded from the definition of development used in the special management areas law;
- (4) Amending the special management area guidelines to require the county planning authorities to consider sea level rise when reviewing and approving all developments; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2969, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2969, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 2749 Judiciary on S.B. No. 2343

The purpose and intent of this measure is to:

- (1) Amend the offense of abuse of family or household members to provide for felony, misdemeanor, and petty misdemeanor penalties;
- (2) Expand the family court’s jurisdiction over cases involving harassment of a family or household member;
- (3) Allow the granting of a deferred acceptance of guilty or no contest plea in cases involving misdemeanor abuse of a family or household member in the second degree, subject to certain conditions; and
- (4) Require that no-contact and stay-away orders issued in criminal cases involving abuse of a family or household member or non-physical forms of harassment of a family or household member be converted by the court to a new protective order that shall remain in effect for a fixed reasonable period as the court deems appropriate, unless the victim or witness requests otherwise; provided that a hearing on the issue is held and certain requirements are met.

Your Committee received testimony in support of this measure from the Office of the Prosecuting Attorney of the County of Kaua‘i; Department of the Prosecuting Attorney of the County of Maui; Honolulu Police Department; Parents and Children Together; Domestic Violence Action Center; Hawaii State Coalition Against Domestic Violence; Ho‘omana Pono, LLC; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i; and nine individuals. Your Committee received testimony in opposition to this measure from the Office of the Public Defender and four individuals. Your Committee received comments on this measure from the Judiciary, Department of the Attorney General, Mothers of Lost Children, and Battered Mothers Custody Conference.

Your Committee finds that domestic violence is a serious concern that threatens the health and safety of many of the State's citizens. The reforms to domestic violence statutes in this measure are meant to address deficiencies in the system by increasing the penalties for the perpetrators of domestic violence, expanding the role of the family court in adjudicating domestic violence cases, and providing additional safeguards relating to protective orders for domestic violence victims.

Your Committee notes that a recodification of the provisions of section 709-906, Hawaii Revised Statutes, into three distinct degrees of abuse of family or household members, using language and structure that more closely resembles other Hawaii Penal Code offenses, might be considered. Your Committee further notes possible administrative difficulties in converting stay-away orders issued in criminal proceedings into indeterminate post-conviction civil protective orders. Your Committee encourages further discussion on these issues as this measure proceeds.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2343, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2343, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2750 Judiciary on S.B. No. 2427

The purpose and intent of this measure is to:

- (1) Establish a temporary law enforcement working group to make recommendations to the Legislature on establishing professional recruitment, hiring, and training standards for all state law enforcement officers who carry firearms and badges and who have arrest authority; and
- (2) Prohibit a law enforcement officer who has been terminated for misconduct by a state or county department, agency, or office in the capacity of law enforcement from being hired by another state or county law enforcement department, agency, or office.

Your Committee received testimony in support of this measure from the Department of Public Safety, Department of Transportation, Department of Land and Natural Resources, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual. Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that there are no existing statewide standards for recruiting, hiring, and training law enforcement personnel across state agencies, making Hawaii one of the few states lacking in such statewide standards. Establishing statewide standards for recruiting, hiring, and training of law enforcement personnel will promote uniformity in law enforcement throughout the State, allow state and county law enforcement agencies to adopt best practices, and enable superior coordination and cooperation among law enforcement agencies in Hawaii.

Your Committee has amended this measure by:

- (1) Changing all references to "state law enforcement officers" throughout the measure to "state and county law enforcement officers" to clarify that the working group's consideration extends to all law enforcement departments, agencies, and offices in Hawaii;
- (2) Replacing the representative of the Harbors Division of the Department of Transportation and the representative of the Airports Division of the Department of Transportation with a single representative of the Department of Transportation on the proposed law enforcement working group;
- (3) Requiring that law enforcement officers who are reinstated shall be removed from the list of terminated law enforcement officers maintained by the Department of the Attorney General as soon as reasonably possible;
- (4) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2427, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2427, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2751 Judiciary on S.B. No. 2436

The purpose and intent of this measure is to shorten the time period for voluntary surrender of firearms and ammunition upon disqualification from ownership, possession, or control from thirty days to twenty-four hours.

Your Committee received testimony in support of this measure from the Office of the Mayor of the County of Hawai'i; Honolulu Police Department; Injury Prevention Advisory Committee; Parents and Children Together; Hoomana Pono, LLC; Filipina Advocacy Network; and thirty individuals. Your Committee received testimony in opposition to this measure from the National Rifle Association of America, Honolulu County Republican Party, and twenty-seven individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that reducing the time period for voluntary surrender of firearms and ammunition upon disqualification from ownership, possession, or control will reduce the risk of firearm violence after disqualification. A time period that is unreasonably short could lead to avoidable hostile encounters between disqualified persons and law enforcement and a longer period of time for surrender may be more appropriate.

Your Committee has amended this measure by:

- (1) Changing the time period for voluntary surrender of firearms and ammunition upon disqualification from ownership, possession, or control from twenty-four hours to seven days; and
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion.

Your Committee notes the concerns that the existing time period of thirty days for voluntary surrender needs to change and that a time period of seven days may still be inappropriately long, and thus encourages further discussion of what an appropriate time period should be as this measure progresses.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2436, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2436, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Gabbard, Kim, Thielen). Noes, none. Excused, none.

SCRep. 2752 Judiciary on S.B. No. 2610

The purpose and intent of this measure is to add a definition of “intern” to the State Ethics Code and include interns among state employees to whom the Code applies.

Your Committee received testimony in support of this measure from the Hawaii State Ethics Commission and one individual.

Your Committee finds that Advisory Opinion No. 2006-1, issued by the Hawaii State Ethics Commission, determined that legislative interns are deemed to be employees and are therefore subject to the provisions of the State Ethics Code. Your Committee further finds that some interns, especially those interns who intern full-time with the State, might appear to an outsider to be a full-time state employee. Subjecting interns to the provisions of the State Ethics Code will promote greater consistency in the application and enforcement of ethics rules in state agencies and governmental institutions.

Your Committee notes that further discussion is necessary relating to the issue of whether interns will be bound by the provisions of the post-employment requirements in section 84-18, Hawaii Revised Statutes.

Your Committee has amended this measure by:

- (1) Clarifying the definition of “intern” to mean:
 - (A) A person who, for an unspecified number of hours or more per week, performs unpaid services for the State as part of an educational internship program; or
 - (B) A private sector employee who takes an unpaid leave of absence from their other employment to instead work for the State for a fixed period of time not to exceed an unspecified number of days; and
- (2) Inserting an effective date of January 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2610, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2610, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2753 Judiciary on S.B. No. 2800

The purpose and intent of this measure is to provide an avenue for the Department of Health to share amongst its program employees certain personal health statistics records for research purposes, subject to approval by the Department’s institutional review committee.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii Primary Care Association, and Hawaii Children’s Action Network. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that individuals have a significant privacy interest in their records that are held and maintained by the Department of Health. The State and, by extension, the Department of Health has an interest in conducting research using public health statistics, but this interest must be properly balanced against the significant privacy interests of the individuals whose records are used in the research. This measure will protect the privacy interest of individuals while allowing employees of the Department of Health to use vital statistics records for the purposes of research.

Your Committee has amended this measure by:

- (1) Clarifying that a public health purpose for approved research must substantially outweigh the confidentiality interest of the persons identified in a record for the record to be disclosed;
- (2) Inserting an effective date of January 1, 2035, for the purposes of clarity and consistency; and

- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2800, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2800, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2754 Judiciary on S.B. No. 2922

The purpose and intent of this measure is to propose amendments to the Constitution of the State of Hawaii to advance the State's goal of providing a quality education for the children of Hawaii by authorizing the Legislature to establish, as provided by law, a surcharge on residential investment property and visitor accommodations.

Your Committee received testimony in support of this measure from the Department of Education, Special Education Advisory Council, Democratic Party of Hawaii, Hawaii State Teachers Association, IMUAlliance, Hawai'i Appleseed Center for Law and Economic Justice, Hui for Excellence in Education, Americans for Democratic Action Hawai'i, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawai'i Alliance for Progressive Action, Young Progressives Demanding Action – Hawaii, Labor Caucus of the Democratic Party of Hawaii, and numerous individuals. Your Committee received testimony in opposition to this measure from the County of Hawaii, Office of the Mayor of the County of Hawaii, Real Property Assessment Division of the County of Maui, Coalition for Equal Taxation, Hawai'i Association of REALTORS, Kohala Coast Resort Association, Rental By Owner Awareness Association, American Resort Development Association Hawai'i, Mauna Kea Resort, Maui Hotel and Lodging Association, one member of the Maui County Council, and four individuals. Your Committee received comments on this measure from the Department of Budget and Finance, Real Property Assessment Division of the City and County of Honolulu, Tax Foundation of Hawaii, and League of Women Voters.

Your Committee finds that article X, section 1, of the Constitution of the State of Hawaii requires the State to provide a system of public education. Hawaii is unique compared to the other states because the State, instead of a county of local level jurisdiction, is responsible for public education. A surcharge on residential investment property and visitor accommodations would provide additional resources for the State to better meet its educational responsibilities to the children of Hawaii.

Your Committee notes that this measure has generated a significant response from the public, including substantial indications of support from Hawaii State Teachers Association members.

Your Committee has amended this measure by:

- (1) Simplifying the amending language to article X, section 1, of the Constitution of the State of Hawaii and removing the definitions of "residential investment property" and "visitor accommodations"; and
- (2) Rephrasing and clarifying the amendment's ballot question.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2922, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2922, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2755 Judiciary on S.B. No. 2046

The purpose and intent of this measure is to prohibit trigger modification devices, including bump stocks, that are designed or function to accelerate the rate of fire of a semiautomatic firearm.

Your Committee received testimony in support of this measure from the Office of the Mayor of the County of Hawai'i, Department of the Prosecuting Attorney of the County of Maui, Honolulu Police Department, Injury Prevention Advisory Committee, Young Progressives Demanding Action Hawaii, Filipina Advocacy Network, IMUAlliance, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and thirty-nine individuals. Your Committee received testimony in opposition to this measure from the National Rifle Association of America, Honolulu County Republican Party, 2A Hawaii, Hawaii Rifle Association, Hawaii Hunting Association, Institute for Rational and Evidence-based Legislation, and more than four hundred fifty individuals. Your Committee received comments on this measure from two individuals.

Your Committee finds that the shooter in the October 1, 2017, Las Vegas shooting used a device, commonly known as a "bump stock", to manipulate the trigger mechanism on a semi-automatic rifle in such a way as to allow a rate of fire comparable to a fully automatic firearm. Your Committee further finds that the State has a compelling interest in limiting the availability of such devices to promote the safety of the public and reduce the risk of firearm violence in Hawaii. Your Committee additionally finds that the definition of "trigger modification device" in this measure is unnecessarily complicated and limiting. Your Committee notes that House Bill No. 1908 H.D.1, Regular Session of 2018, contains new statutory language that is substantively similar but more flexible.

Accordingly, your Committee has amended this measure by:

- (1) Removing language prohibiting ownership of trigger modification devices;
- (2) Inserting language from House Bill No. 1908 H.D.1, Regular Session of 2018, establishing the manufacture, import, sale, gift, lending, or possession of any multiburst trigger activator as a class C felony;
- (3) Defining "multiburst trigger activator" to mean:

- (A) A device that simulates automatic gunfire by allowing standard function of a semiautomatic firearm with a static positioned trigger finger or a device that fires multiple shots with the pull and release of the trigger; or
 - (B) A manual or power-driven trigger activating device constructed and designed so that when attached to a semiautomatic firearm it simulates automatic gunfire; and
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2046, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2046, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2756 Judiciary on S.B. No. 2087

The purpose and intent of this measure is to amend section 663-1.5, Hawaii Revised Statutes, the Good Samaritan Law, to:

- (1) Provide liability exemptions for owners and operators of any premises, property, or facility where automated external defibrillators and rescue tubes are located for the storage, maintenance, or use of the automated external defibrillators or rescue tubes; and
- (2) Provide liability exemptions for rescuers who attempt to rescue a person with a rescue tube.

Your Committee received testimony in support of this measure from the Ocean Tourism Coalition; Rescue Tube Foundation, Inc.; Quicksilver Charters; Calypso Charters; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; AED Institute; Rotary Club of Hanalei Bay; and three individuals. Your Committee received comments on this measure from the Hawaii Association for Justice.

Your Committee finds that the Good Samaritan Law provides general exemptions for persons who provide aid to others in emergency situations from liability stemming from their actions in providing aid, as well as specific exemptions from liability for types of persons or categories of aid that apply in specific circumstances. Your Committee further finds that in Hawaii nearly half of all non-resident fatal injuries are caused by drowning, and nearly eighty percent of these drownings occur in the ocean. Providing a specific exemption from liability for persons who use rescue tubes to provide aid to persons experiencing distress in the water and persons who keep or maintain rescue tubes on their property will promote safer conditions for visitors and Hawaii residents on the State's beaches.

Your Committee notes that, under the Good Samaritan Law as it currently exists, "[a]ny person ... who provides for an automated external defibrillator" is already exempt from vicarious liability for civil damages resulting from the use of the defibrillator. The language in this measure exempting "[t]he owner or operator of any premises, property, or facility where an automated external defibrillator is located" is therefore superfluous.

Your Committee has amended this measure by:

- (1) Deleting language exempting an owner or operator of any premises, property, or facility where an automated external defibrillator is located from liability for any act or omission relating to the storage, maintenance, or use of the automated external defibrillator;
- (2) Clarifying that an owner or operator of any premises, property, or facility where a rescue tube is located is exempt from vicarious liability;
- (3) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2087, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2087, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2757 Judiciary on S.B. No. 2092

The purpose and intent of this measure is to establish knowingly making a false statement to a county inspector as a crime within the offense of unsworn falsification to authorities.

Your Committee received testimony in support of this measure from the Department of Planning and Permitting of the City and County of Honolulu, County of Hawai'i Planning Department, Hawaii Construction Alliance, 'Āina Haina Community Association, and eight individuals. Your Committee received comments on this measure from the Department of Planning of the County of Maui.

Your Committee finds that the ability of county inspectors to discharge their duty is impaired when persons make false statements to inspectors or are otherwise not forthright with information. This measure will empower county inspectors to compel truthful responses in the course of the inspectors' investigations by establishing knowingly making a false statement to a county inspector as a misdemeanor offense.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2035, to encourage further discussion; and

- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2092, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2092, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2758 Judiciary on S.B. No. 2097

The purpose and intent of this measure is to:

- (1) Authorize child abuse and neglect investigation findings for incidents occurring in licensed group child care homes or group child care centers to be disclosed to parents or guardians of children enrolled in the home or center at the time of the alleged abuse or neglect or to parents or guardians considering enrolling their children in the home or center; and
- (2) Authorize the disclosure of an investigation involving a finding of a felony or misdemeanor to any person upon request.

Your Committee received testimony in support of this measure from The Queen's Health Systems; Hawaii Nurses Association, OPEIU, Local 50; Sounds of Success Preschool; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and fourteen individuals. Your Committee received comments on this measure from the Department of the Attorney General, Department of Human Services, and Parents and Children Together.

Your Committee finds that child care facilities play an important role in the development and growth of a child. The disclosure of child abuse or neglect that takes place at a child care facility will allow parents to be better informed and to better ensure the safety of their child or children. Your Committee notes that the disclosure of unfounded allegations can result in unwarranted fear and is not conducive to ensuring the safety of children at a child care facility where no child abuse or neglect is in fact occurring.

Your Committee notes that section 350-1.4, Hawaii Revised Statutes, already contains a confidentiality requirement for all reports of child abuse or neglect and corresponding records prepared pursuant to chapter 350, Hawaii Revised Statutes.

Accordingly, your Committee has amended this measure by:

- (1) Requiring the Department of Human Services to confirm that an allegation or report of child abuse or neglect did occur within a group child care home or group child care center before disclosure of an assessment from an investigation;
- (2) Authorizing disclosure in cases in which the child abuse or neglect was perpetrated by an agent, employee, or independent contractor of the group child care home or group child care center;
- (3) Deleting language authorizing disclosure to parents who are considering placing a child into a group child care home or group child care center and inserting language authorizing disclosure to parents who have submitted an application or request to place a child into a group child care home or group child care center;
- (4) Clarifying that disclosed information shall not contain names or other identifying information of any individual whose name or other information is otherwise protected from disclosure;
- (5) Deleting language authorizing disclosure upon request of any investigation involving a finding of a felony or misdemeanor; and
- (6) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2097, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2097, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2759 Judiciary on S.B. No. 2290

The purpose and intent of this measure is to prohibit state and county law enforcement agencies from complying with federal immigration detainers or honoring requests for non-public information unless specifically required to do so by a warrant signed by a judge or federal, state, or local law.

Your Committee received testimony in support of this measure from IMUAlliance; Hawaii J-20+; Hawai'i State Democratic Women's Caucus; Planned Parenthood Votes Northwest and Hawaii; 808RAN, Filipino American Citizens League; Ho'omana Pono, LLC; Nursing Advocates and Mentors, Inc.; and thirty-two individuals. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney of the County of Maui and five individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that there is no affirmative duty strictly provided in federal law for state and local law enforcement agencies to collect information regarding citizenship or immigration status of any individual or to participate in federal immigration enforcement actions unless required by a warrant, court order, or specific provision of law. Under existing law, state and local law enforcement agencies may cooperate with federal immigration enforcement activities at the discretion of the agency. This measure prohibits state and local law enforcement agencies from complying with federal immigration detainers or honoring requests for non-public information unless specifically required to do so by law or warrant. Your Committee notes concerns raised by the testimony of the Department of the Attorney General regarding vague or ambiguous terminology, and specifically encourages discussion on the potential definition of "non-public information" as this measure progresses.

Your Committee has amended this measure by:

- (1) Clarifying that law enforcement agencies may disclose information, not limited to an individual's criminal arrest or convictions, where permitted by state law or required pursuant to subpoena or court order;
- (2) Requiring law enforcement agencies to allow access to individuals in custody in the same circumstances in which the law enforcement agency would be required to honor requests for information under this measure; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2290, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2290, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Gabbard). Noes, none. Excused, none.

SCRep. 2760 Ways and Means on S.B. No. 2374

The purpose and intent of this measure is to establish a community paramedic services pilot program to reduce the volume of 911 calls for non-emergency medical conditions.

Specifically, this measure:

- (1) Requires the Department of Health to administer a three-year community paramedic services pilot program at two sites, one of which shall be on a neighbor island;
- (2) Requires that the pilot program have the following components: training and certification, staffing, equipment and supplies, medical records, and billing;
- (3) Requires various annual reports to the Legislature regarding the pilot program; and
- (4) Appropriates funds for the pilot program.

Your Committee received written comments in support of this measure from the Hawaii Fire Department; Hawaii Pacific Health; American Medical Response; The Queen's Health Systems; The Queen's Medical Center; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and two individuals.

Your Committee received written comments on this measure from the Department of Health and the Emergency Services Department of the City and County of Honolulu.

Your Committee finds that community paramedic programs have proven to be cost-effective in reducing both 911 emergency medical services demands and ambulance use, while addressing the medical needs of individuals through non-emergency rapid assessment and treatment that more closely aligns with the needs of treated patients.

Your Committee has amended this measure by:

- (1) Changing the amounts appropriated to unspecified amounts;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making a technical nonsubstantive amendment for purposes of style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2374, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2374, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2761 Ways and Means on S.B. No. 2788

The purpose and intent of this measure is to develop a program to collect and analyze healthcare data.

Specifically, this measure establishes the Health Analytics Program in the Med-QUEST Division of the Department of Health to maintain an all-claims, all payer database, and an encompassing data center to collect and analyze healthcare data.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, Department of Health, Department of Human Services, University of Hawaii System, State Health Planning and Development Agency, Office of Enterprise Technology Services, Department of Commerce and Consumer Affairs Insurance Division, Hawaii Primary Care Association, and Hawaii Medical Service Association.

Your Committee received written comments on this measure from the Employer-Union Health Benefits Trust Fund.

Your Committee finds that understanding the cost drivers of healthcare at an individual level, through the use of an all-claims, all payer database, will provide necessary information to develop programs that encourage healthy behaviors and control rising healthcare costs.

Your Committee has amended this measure by:

- (1) Changing the amounts appropriated to unspecified amounts;

- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2788, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2788, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2762 Ways and Means on S.B. No. 2188

The purpose and intent of this measure is to use the conveyance tax as a source of funding for affordable housing.

More specifically, the measure:

- (1) Increases the conveyance tax on the sale of each condominium and single family residence with a value of at least \$2,000,000; and
- (2) Requires that all revenues received as result of the foregoing tax increase be paid into the respective county's affordable housing fund.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, the Maui County Council, and three individuals.

Your Committee received written comments in opposition to this measure from the Hawaii Association of REALTORS and the Land Use Research Foundation of Hawaii.

Your Committee received written comments on this measure from the Department of Taxation.

Your Committee finds that the demand for affordable housing far exceeds supply, and that increasing the availability of affordable housing should be a top priority. Your Committee believes that this measure will lead to an increase in funding for affordable housing.

Your Committee has amended this measure by:

- (1) Changing the effective date to January 1, 2019, to allow the Department of Taxation sufficient time to update forms and instructions that are relevant to the purposes of this measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2188, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2188, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2763 Ways and Means on S.B. No. 2778

The purpose and intent of this measure is to establish a revolving fund administered by the Department of Defense to accept lodging fees.

Specifically, this measure establishes the chargeable transient quarters revolving fund to accept revenues from fees paid by United States Army National Guard, active duty, and reserve trainees and other occupants for use of transient quarters.

Your Committee received written comments in support of this measure from the Department of Defense.

Your Committee finds that revenues from billet fees are currently commingled with other funds in a trust account. Establishing a revolving fund to deposit the billet fee revenues will establish a better business and accounting practice for the Department of Defense.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2778, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2778, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2764 Ways and Means on S.B. No. 2764

The purpose and intent of this measure is to preserve the use and control of unclaimed member contribution and benefit payments by the Employees' Retirement System (system).

More specifically, this measure requires that if the system cannot locate:

- (1) A member or former member under the contributory, non-contributory, or hybrid plan; or

- (2) A former employee under the contributory or hybrid plan who has separated from service without vesting in retirement benefits, but has not withdrawn the former employee's accumulated contributions,

when the statutory deadline is reached for the system to:

- (1) Distribute retirement benefits to the member or former member; or
- (2) Return accumulated contributions to the former employee,

then:

- (1) The member's or former member's retirement benefits shall be forfeited to the system; and
- (2) The system's obligation to return the former employee's accumulated contributions will initially be suspended, and the accumulated contributions will subsequently be forfeited to the system, if the former employee still cannot be located.

Your Committee received written comments in support of this measure from the Employees' Retirement System.

Your Committee finds that the level of unclaimed member benefits and accumulated contributions varies from year to year but generally ranges between \$500,000 and \$1,000,000 per year. Under the present law, unclaimed member benefits and accumulated contributions are presumed abandoned after a statutorily-determined period of time and are required to be paid into the Unclaimed Property Trust Fund. Your Committee finds that allowing the Employees' Retirement System to retain the use and control of unclaimed member benefits and accumulated contributions will increase the investment return of the pension accumulation fund and reduce its unfunded liability.

Your Committee has amended this measure by:

- (1) Reconciling the text of section 88-74.7, Hawaii Revised Statutes (HRS), in the measure with the printed version of the HRS;
- (2) Clarifying that April 1 of the year following a member's or former member's "required beginning date" (April 1 of the calendar year following the calendar year in which the member or former member terminates service or attains age seventy and one-half, whichever is later) is the deadline for locating the member or former member; and
- (3) Making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2764, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2764, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Kahele, Keith-Agaran, Wakai).

SCRep. 2765 Ways and Means on S.B. No. 2747

The purpose and intent of this measure is to update the Hawaii Nonprofit Corporations Act.

Specifically, this measure:

- (1) Clarifies that a public benefit corporation may not purchase its memberships;
- (2) Clarifies that the term "director" only includes those who have the authority to vote as a member of the board;
- (3) Clarifies that a corporation with members may provide for appointment by some other person, or designation, of some of its directors; and
- (4) Provides the Attorney General with more time to review a proposed sale or other disposition of substantially all of the assets of a corporation, other than in the regular course of its activities.

Your Committee received written comments in support of this measure from the Department of the Attorney General.

Your Committee finds that this measure expressly prohibits a public benefit corporation from using its charitable assets to purchase its memberships, an action that is effectively a distribution to the corporation's members and is not consistent with a public benefit corporation's charitable purpose.

Your Committee has amended this measure by:

- (1) Clarifying that a corporation with members may appoint directors by designation, if provided by the corporation's articles of incorporation or bylaws; and
- (2) Making a technical nonsubstantive change for the purpose of style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2747, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2747, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Kahele).

SCRep. 2766 Ways and Means on S.B. No. 2060

The purpose and intent of this measure is to encourage parties involved in condominium related disputes to use alternative dispute resolution instead of resolving those disputes in court.

Specifically, this measure:

- (1) Authorizes the use of moneys from the condominium education trust fund for voluntary binding arbitration of condominium related disputes after the parties have attempted evaluative mediation; and
- (2) Amends the mediation requirements for condominium related disputes to require parties to certain condominium related disputes to participate in mediation, upon the request of one party.

Your Committee received written comments in support of this measure from one individual.

Your Committee received written comments in opposition to this measure from one individual.

The Hawaii Real Estate Commission submitted written comments on this measure.

Your Committee finds that requiring parties to participate in mediation, and the recent concept of evaluative mediation, will help to resolve condominium related disputes faster and at lower costs to all parties.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2060, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2060, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2767 Ways and Means on S.B. No. 2594

The purpose and intent of this measure is to require, beginning January 1, 2019, that construction or renovation of publicly funded residential housing projects, including housing projects developed or financed under the Hawaii Housing Finance and Development Corporation, incorporate specific housing visitability standards.

The measure also allows, but does not require, the Hawaii Public Housing Authority to incorporate the housing visitability standards in residential housing projects that it develops or finances.

Your Committee received written comments in support of this measure from the Hawaii Public Housing Authority; League of Women Voters of Hawaii; and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

The Hawaii Housing Finance and Development Corporation submitted written comments on the measure.

Your Committee finds that the incorporation of housing visitability standards into construction or renovation of publicly funded residential housing is an important means of providing accessibility and safety for individuals with disabilities when those individuals visit or use residential space, and as such, should be consistently required for housing projects developed or financed under the Hawaii Housing Finance and Development Corporation, as well as under the Hawaii Public Housing Authority.

Your Committee has amended this measure by:

- (1) Requiring, rather than authorizing, that all construction or renovation of housing projects intended for residential use developed or financed under the Hawaii Public Housing Authority comply with the visitability standards established by this measure, while retaining the qualifying language that limits the extent to which the Hawaii Public Housing Authority must comply with the visitability construction mandate;
- (2) Changing the effective date to January 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2594, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2594, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2768 Ways and Means on S.B. No. 2070

The purpose and intent of this measure is to lay the foundation to implement instruction on digital citizenship and media literacy at public schools and charter schools.

Specifically, this measure requires the Department of Education to:

- (1) Convene an advisory committee to make recommendations regarding implementing digital citizenship and media literacy instruction at public schools, including charter schools and Hawaiian language immersion schools;
- (2) Develop a plan based upon the recommendations made by the advisory committee; and
- (3) Submit a report to the Legislature on the plan and a timeline for implementing the plan.

Your Committee received written comments in support of this measure from the State Public Charter School Commission; Media Literacy Now; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and two individuals.

Your Committee finds that media literacy is an essential skill for learning about and interacting with the digital world. Preparing children to use technology in a responsible manner will help to ensure that they become positive and productive digital citizens.

Your Committee has amended this measure by:

- (1) Recasting the provisions in section 2 of the measure as a session law due to the temporary nature of the requirements;
- (2) Changing the order of the subsections in section 2 to read chronologically;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2070, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2070, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Riviere, Shimabukuro).

SCRep. 2769 Ways and Means on S.B. No. 2677

The purpose and intent of this measure is to affirm the State's commitment to conservation and sustainability by codifying in state law the goal relating to peace, justice, and strong institutions, of the United Nations Sustainable Development Goals and indicators.

Your Committee received written comments in support of this measure from the Office of Planning, Filipina Advocacy Network FAN, Hawai'i Green Growth, OCC Legislative Priorities Committee, Democratic Party of Hawaii, Planned Parenthood Votes Northwest and Hawaii, and three individuals.

Your Committee finds that in order for Hawaii to continue to serve as an example for the rest of the world in setting policies on sustainability and to serve as a global leader on issues of conservation and sustainability, it is essential that the State demonstrate its full commitment to its own policies and goals as well as the sustainable development goals set by the United Nations.

Your Committee has amended this measure by changing the effective date from July 1, 2035, to upon approval.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2677, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2677, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2770 Ways and Means on S.B. No. 3023

The purpose and intent of this measure is to encourage economic equality for impaired individuals.

Specifically, this measure repeals provisions that allow individuals whose learning capacity is impaired by old age or physical or mental deficiency or injury to receive wages lower than the applicable minimum wage.

Your Committee received written comments in support of this measure from the AFL-CIO, Hawaii State Teachers Association, Young Progressives Demanding Action-Hawaii, IMUAlliance, Pono Hawaii Initiative, National Federation of the Blind of Hawaii, Hawaii Alliance for Progressive Action, Progressive Democrats of Hawaii, and six individuals.

Your Committee received written comments in opposition to this measure from the Hawaii Self Advocacy Advisory Council and Lanakila Pacific.

Your Committee received written comments on this measure from the Department of Labor and Industrial Relations, and Hawaii Disability Rights Center.

Your Committee finds that with Hawaii's high cost of living and the availability and advancement of assistive technologies that can aid all workers, it is necessary that the State's policies be supportive and inclusive to allow all workers with disabilities to reach their full vocational and socioeconomic potential.

Your Committee has amended this measure by:

- (1) Adding a new part to the measure that appropriates funds to the Department of Business, Economic Development, and Tourism to conduct a study on the effects of minimum wage increases;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

Your Committee notes that the Department of Business, Economic Development, and Tourism estimates that the minimum wage study required by part II of this measure, as amended, will cost approximately \$100,000.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3023, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3023, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2771 Ways and Means on S.B. No. 2328

The purpose and intent of this measure is to help reduce the costs of books and supplies for students attending schools of the University of Hawaii System.

Specifically, this measure:

- (1) Establishes the University of Hawaii Open Educational Resources Task Force to identify potential sources of open educational resources; and
- (2) Establishes a pilot program to provide incentives for faculty to use open educational resources.

Your Committee received written comments in support of this measure from the University of Hawaii Student Caucus, Associated Students of the University of Hawaii at Manoa, and one individual.

Your Committee received written comments in opposition to this measure from the OCC Legislative Priorities Committee, Democratic Party of Hawaii; and five individuals.

The University of Hawaii System and one individual submitted written comments on this measure.

Your Committee finds that supporting the adoption of open educational resources as an alternative to the high prices of textbooks can help to alleviate the increasing costs of higher education.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated from \$50,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2328, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2328, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2772 Ways and Means on S.B. No. 2079

The purpose and intent of this measure is to increase protection for sharks and rays.

More specifically, this measure:

- (1) Extends the prohibition against capturing or killing manta rays, and its related penalties and exceptions, to include killing, taking, possessing, abusing, or entangling sharks and all species of rays; and
- (2) Includes research permits allowed by law as an exception to the prohibition against capturing, killing, taking, possessing, abusing, or entangling sharks and rays.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; The Humane Society of the United States; Surfrider Foundation Oahu Chapter; Hawaiian Civic Club of Honolulu; Keiko Conservation; Keiko Conservation International; West Hawaii Humane Society; For the Fishes; Pele Lani Farm LLC; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and forty-eight concerned individuals.

Your Committee received written comments on this measure from the Office of Hawaiian Affairs and one concerned individual.

Your Committee finds that sharks and rays are vital to the ocean ecosystem; however, these creatures are more vulnerable than most other fish species. Your Committee recognizes that these animals are also culturally important to Native Hawaiians. Accordingly, your Committee believes that sharks and rays require additional protection.

Your Committee has amended this measure by:

- (1) Adding an exception for sharks taken outside of state marine waters and possessed on a vessel in state marine waters pursuant to a federally managed fishery, for the purpose of landing the catch in the State; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2079, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2079, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2773 Ways and Means on S.B. No. 2671

The purpose and intent of this measure is to affirm the State's commitment to conservation and sustainability by codifying in state law the goal of reducing inequalities, of the United Nations Sustainable Development Goals and indicators.

Your Committee received written comments in support of this measure from the Office of Planning; Filipina Advocacy Network FAN; Hawaii Green Growth; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Planned Parenthood Votes Northwest and Hawaii; and three individuals.

Your Committee finds that in order for Hawaii to continue to serve as an example for the rest of the world in setting policies on sustainability and to serve as a global leader on issues of conservation and sustainability, it is essential that the State demonstrate its full commitment to its own policies and goals as well as the sustainable development goals set by the United Nations.

Your Committee has amended this measure by changing the effective date from July 1, 2035, to upon approval.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2671, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2671, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2774 Ways and Means on S.B. No. 101

The purpose and intent of this measure is to appropriate funds in compliance with Article VII, section 6, of the Hawaii State Constitution.

For the purposes of a public hearing, your Committee circulated a proposed S.D. 1 (Proposed Draft) of the measure and notified the public that your Committee would be accepting testimony on the Proposed Draft, which requires that employer contributions to the Employees' Retirement System be paid from the same special fund revenues under which the employee was hired.

Your Committee received testimony in opposition to the Proposed Draft from the University of Hawaii System.

Your Committee received comments on the Proposed Draft from the Department of Budget and Finance.

Your Committee finds that requiring employer contributions to the Employees' Retirement System to be paid from the same special fund that funds an employee's salary or wages will help to properly allocate the full cost of each employee to the appropriate source of revenues.

Your Committee has amended this measure by adopting the Proposed Draft with the additional amendment that the special fund revenues funding the employer's contribution to the Employees' Retirement System on behalf of the employee shall be those of the special fund under which the employee is funded, rather than hired.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 101, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 101, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2775 Ways and Means on S.B. No. 2666

The purpose and intent of this measure is to codify the State's commitment to conservation and sustainability by including the gender equality goal of the United Nations Sustainable Development Goals, in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Education; Office of Planning; Filipina Advocacy Network FAN; Hawaii Green Growth; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Planned Parenthood Votes Northwest and Hawaii; and three individuals.

Your Committee finds that in order for Hawaii to continue to serve as an example for the rest of the world in setting policies on sustainability and to serve as a global leader on issues of conservation and sustainability, it is essential that the State demonstrate its full commitment to its own policies and goals as well as the sustainable development goals set by the United Nations.

Your Committee has amended this measure by changing the effective date from July 1, 2035, to upon approval.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2666, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2666, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2776 Ways and Means on S.B. No. 2866

The purpose and intent of this measure is to allow the Department of Land and Natural Resources to use aquatic in-lieu fee mitigation as a form of compensatory mitigation for aquatic habitats or resources.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and two concerned individuals.

Your Committee finds that in-lieu fee mitigation is a widely used and an effective compensatory mitigation mechanism.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and

- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2866, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2866, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2777 Ways and Means on S.B. No. 2905

The purpose and intent of this measure is to improve access to early childhood care and learning programs in the State.

More specifically, this measure:

- (1) Establishes a refundable income tax credit for employers who create on-site early childhood facilities; and
- (2) Establishes and appropriates funds for one full-time on-site early childhood facility coordinator position.

Your Committee received written comments in support of this measure from the Executive Office on Early Learning; Hawaii Children's Action Network; and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Human Services; Department of Taxation; and Tax Foundation of Hawaii.

Your Committee finds that Hawaii has one of the highest costs for child care in the nation. As a result, in many families, one parent will leave the workforce to care for their children on a full-time basis instead of enrolling the children in child care. Consequently, more of Hawaii's children are entering kindergarten without the physical, cognitive, linguistic, social, and emotional skills necessary to prepare them for success in school. Your Committee further finds that the creation of on-site early childhood facilities by employers could address parents' concerns regarding child care costs and provide access to early childhood learning programs, while also improving employee retention and performance.

Your Committee has amended this measure by:

- (1) Clarifying that "qualified costs" refer to expenses incurred in acquiring, constructing, and establishing qualified on-site early childhood facilities;
- (2) Clarifying the Department of Human Services' duties with regard to certifying qualified on-site early childhood facilities and verifying taxpayers' qualified costs;
- (3) Requiring that taxpayers seeking to claim the tax credit submit information regarding their costs to the Department of Human Services;
- (4) Clarifying the provisions regarding the aggregate cap amount of the tax credit;
- (5) Clarifying the provisions regarding the refundable nature of the tax credit;
- (6) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (7) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2905, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2905, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2778 Ways and Means on S.B. No. 3008

The purpose and intent of this measure is to increase consumer protections in the payday lending industry.

Specifically, this measure:

- (1) Replaces the check cashing law for lump sum deferred deposit transactions with requirements for installment-based small dollar loan transactions;
- (2) Establishes licensing requirements for small dollar lenders; and
- (3) Imposes restrictions upon small dollar loan transactions regarding matters such as interest rates, loan amounts, payment amounts, and multiple loans.

Your Committee received written comments in support of this measure from Catholic Charities Hawaii; Community Alliance on Prisons; Hawai'i Alliance for Progressive Action; Hawaii Appleseed Center for Law and Economic Justice; Hawaii Community Assets; Hawaii Habitat for Humanity Association, Inc.; Hawaiian Community Assets; Mental Health America of Hawaii; PHOCUSED; and two concerned individuals.

Your Committee received written comments in opposition to this measure from Hawaii Check Cashing and Maui Loan Inc.

Your Committee received written comments on this measure from the Department of Taxation.

Your Committee finds that this measure closes a payday loan loophole and establishes a regulatory structure for small dollar installment loans, giving workers and families more money to make rent and mortgage payments. Most consumers who presently take out payday loans face repayment terms that set them up for failure. When faced with the inability to repay their loans, consumers are forced to choose among disastrous options, such as taking out more payday loans to pay off the initial one, defaulting on their loans, falling behind on their other bills, or declaring bankruptcy.

Your Committee notes that the Department of Commerce and Consumer Affairs has indicated that their special fund expenditure ceiling will need to be raised by \$214,000 in order to implement the requirements established in this measure.

Your Committee has amended this measure by reorganizing and consolidating provisions and making numerous technical changes, including technical nonsubstantive changes for the purposes of clarity, consistency, and style. Your Committee has also amended this measure by:

- (1) Requiring the written agreement for a small dollar installment loan transaction or renewal to contain the authorized interest rate, as well as the annual percentage rate;
- (2) Requiring, rather than authorizing, the Commissioner of Financial Institutions to require licensees to register with NMLS;
- (3) Reclassifying the failure to complete a licensing application as a ground for a denial of a license rather than as a ground for disciplinary action;
- (4) Establishing an unspecified fee for office relocations;
- (5) Including a conforming amendment to section 480F-3, Hawaii Revised Statutes; and
- (6) Closing the six-month gap between the repeal of the deferred deposit law and the start of the new licensing law by establishing a January 1, 2019, effective date for both.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3008, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3008, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Shimabukuro).

SCRep. 2779 Ways and Means on S.B. No. 2897

The purpose and intent of this measure is to support events that promote art.

More specifically, this measure makes an appropriation to the Honolulu Biennial Foundation to fund the Honolulu Biennial 2019.

Your Committee received written comments in support of this measure from OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee finds that the Honolulu Biennial is an international arts exhibition that will be staged on the islands of Oahu and Hawaii, and focuses on and celebrates art from the Pacific, Asia, and the Americas.

Your Committee notes that an appropriation in the amount of \$400,000 has been requested for the Honolulu Biennial 2019.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2897, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2897, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2780 Ways and Means on S.B. No. 222

The purpose and intent of this measure is to provide a general excise tax exemption for the sale of certain medical equipment, supplies, and prescription drugs.

More specifically, the measure:

- (1) Provides a general excise tax exemption for amounts received from the sale of mobility enhancement equipment, durable medical equipment, prescription drugs sold pursuant to a doctor's prescription, diabetic supplies, prosthetic devices, medical oxygen, and human blood and its derivatives; and
- (2) Expands the definition of "prosthetic devices" to include devices that are worn on the body.

Your Committee received written comments in support of this measure from the Hawaii Chapter of the American Physical Therapy Association, Honolulu County Republican Party, and OCC Legislative Priorities Committee of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that this measure will benefit individuals with health conditions and disabilities and senior citizens who live on limited income by exempting necessary medical devices from the state general excise tax.

Your Committee has amended this measure by:

- (1) Changing the effective date to January 1, 2019;
- (2) Applying the measure to taxable years beginning after December 31, 2018;
- (3) Making corrections to the quoted text of section 237-24.3, Hawaii Revised Statutes, to reflect statutory language scheduled to take effect on January 1, 2019; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 222, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 222, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2781 Ways and Means on S.B. No. 2902

The purpose and intent of this measure is to promote software development in the State.

Specifically, this measure:

- (1) Requires and appropriates funds for the Hawaii Technology Development Corporation to award grants to help convert proofs of concept developed during software challenges into prototypes suitable for government use; and
- (2) Authorizes the Hawaii Technology Development Corporation to expend a portion of the appropriation to support software application challenges and related projects.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs, Office of Enterprise Technology Services, Hawaii Technology Development Corporation; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and Transform Hawaii Government.

Your Committee finds that providing financial support for software development will help to develop proofs of concept into prototypes and eventually commercial products, which will provide a means for participants to create startup businesses for their software applications.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2902, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2902, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2782 Ways and Means on S.B. No. 1304

The purpose and intent of this measure is to establish a means to provide guidance on Native Hawaiian issues to certain state elected officials and members of boards and commissions.

Specifically, this measure:

- (1) Establishes the Native Hawaiian Health Advisory Council to provide guidance to the Governor and Legislature on issues that impact Native Hawaiians and their communities;
- (2) Requires the Native Hawaiian Health Advisory Council to establish, update, and maintain a directory or registry of Native Hawaiian professionals and community leaders possessing an understanding of Hawaiian culture and who are appropriate for leadership positions and appointment to state and county boards and commissions; and
- (3) Establishes the composition of the Native Hawaiian Health Advisory Council.

Your Committee received written comments in support of this measure from Ho'omanapono Political Action Committee; OCC Legislative Priorities Committee, Democratic Party of Hawai'i; The Queen's Health Systems; and five individuals.

Your Committee received written comments in opposition to this measure from the Hawaiian Civic Club of Honolulu, Hui Malama Ola Na Oiwai, Papa Ola Lokahi, Na Pu'uwai, Ho'ola Lahui Hawaii, Native Hawaiian Scholarship Program at Papa Ola Lokahi, and one individual.

The Office of Hawaiian Affairs submitted written comments on this measure.

Your Committee finds that instead of establishing a new advisory council to provide guidance on Native Hawaiian issues, it would be more appropriate, efficient, and economical to require all members of boards, commissions, and councils to attend the existing training course administered by the Office of Hawaiian Affairs.

Your Committee has amended this measure by replacing the contents with a requirement that all members of state and county boards, commissions, and councils, except for county legislative bodies, attend the training course administered by the Office of Hawaiian Affairs related to Native Hawaiian and Hawaiian rights, practices, and responsibilities.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1304, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1304, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2783 Ways and Means on S.B. No. 2734

The purpose and intent of this measure is to reduce the burden on the Department of Accounting and General Services to maintain designation of beneficiary forms.

More specifically, this measure:

- (1) Allows a public employee's designation of beneficiary form to be kept in the department that employs the employee; and
- (2) Permits the form to be filed and maintained electronically.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services.

Your Committee finds that pursuant to section 78-23(c), Hawaii Revised Statutes, all public employee designation of beneficiary forms are required to be filed with and maintained by the Department of Accounting and General Services. This requirement has burdened the department by obligating it to maintain thousands of these forms. Your Committee believes that it would be more efficient for the forms to be filed with and maintained by the applicable employing department and to allow the forms to be filed and maintained electronically.

Your Committee has amended this measure by making technical nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2734, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2734, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (English, Kahele, Keith-Agaran, Wakai).

SCRep. 2784 Ways and Means on S.B. No. 481

The purpose and intent of this measure is to implement constitutionally required protections for certain agricultural lands by providing grants-in-aid to the counties to identify and map important agricultural lands.

For purposes of a public hearing, your Committee circulated a proposed S.D. 2 (Proposed Draft) of the measure and notified the public that your Committee would be accepting testimony on the Proposed Draft, which deletes the contents of the S.D. 1 of this measure and establishes a definition of "landowner" for the statutory provisions relating to the identification and designation of important agricultural lands.

Your Committee received testimony in support of the Proposed Draft from the Agribusiness Development Corporation, Hawaii Farm Bureau Federation, and Hawaii Cattlemen's Council.

Your Committee received comments on the Proposed Draft from the State Land Use Commission; Department of Agriculture; Office of Planning; Planning Department, County of Hawaii; and Department of Planning and Permitting, City and County of Honolulu.

Your Committee finds that there is ambiguity regarding whether tenants on state lands are eligible to receive benefits from designating their fields as important agricultural lands. Your Committee further finds that adding a definition of "landowner" will encourage more farmers and agricultural operations to participate in the important agricultural lands program.

Your Committee has amended this measure by adopting the Proposed Draft with the following additional amendments:

- (1) Restoring the existing language of the definition of "important agricultural lands" to mean lands identified pursuant to Part III of Chapter 205, Hawaii Revised Statutes;
- (2) Amending the definition of "landowner" with regard to tenants, to only include tenants of public lands; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 481, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 481, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2785 Ways and Means on S.B. No. 3037

The purpose and intent of this measure is to increase international study opportunities for University of Hawaii students.

Specifically, this measure appropriates funds for the Office of International Affairs to fund, by grant, one or more programs sponsored or organized by a University of Hawaii campus to implement international college experiences for University of Hawaii students.

Your Committee received written comments in support of this measure from the OCC Legislative Priorities Committee, Democratic Party of Hawai'i and two individuals.

Your Committee received written comments on this measure from the University of Hawaii and Department of Business, Economic Development, and Tourism.

Your Committee finds that this measure will give Hawaii students the opportunity to build upon the cultural and historic ties between the State and nations throughout the Asia-Pacific region while also exposing students to these nations in an educational and cultural setting.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated for the grants from \$100,000 to an unspecified sum;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3037, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3037, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Shimabukuro).

SCRep. 2786 Ways and Means on S.B. No. 2655

The purpose and intent of this measure is to address the present and critical need for ensuring that those individuals requiring the services of a licensed school psychologist receive appropriate services by highly qualified and licensed professionals.

Specifically, this measure:

- (1) Requires school psychologists to be licensed by the Board of Psychology;
- (2) Establishes standards for the licensing of school psychologists; and
- (3) Increases the membership of the Board of Psychology to include two members who are licensed school psychologists.

Your Committee received written comments in support of this measure from the Hawaii State Teachers Association and the OCC Legislative Priorities Committee, Democratic Party of Hawai'i.

Your Committee received written comments on this measure from the Board of Psychology, the Professional and Vocational Licensing Division, and the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs.

Your Committee finds that Hawaii is the only state in the nation that does not require licensure for school psychologists and allows untrained individuals to provide mental health treatment to students. Unlicensed school psychologists have the potential to misdiagnose students and prescribe an inappropriate course of action for a student, which in turn may harm the student's mental well-being, behavioral maturity, learning growth, and relationships with teachers and peers. Your Committee believes that by establishing licensure requirements and criteria for school psychologists, this measure will help ensure that school psychologists are equipped to create supportive learning and social environments for all students.

Your Committee has amended this measure by:

- (1) Deleting the definition of "board" in the new part since it duplicates the definition currently in the chapter;
- (2) Clarifying that the eighteen hours of continuing education required for school psychologists shall be accredited by the National Association of School Psychologists;
- (3) Changing the effective date of the measure and the licensing deadline for school psychologists to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2655, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2655, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2787 Ways and Means on S.B. No. 2791

The purpose and intent of this measure is to improve and enhance Hawaii's juvenile justice system.

More specifically, the measure establishes the Kawailoa Youth and Family Wellness Center to provide mental health and substance abuse treatment services to at-risk youth and young adults, with the goal of preventing juvenile delinquency and reducing the number of youth committed to secure confinement at the Hawaii Youth Correctional Facility.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs; Department of Human Services; Office of Youth Services; Hoomanapono Political Action Committee; Blueprint for Change; Hawaii Youth Services Network;

Mental Health America of Hawaii; Community Alliance on Prisons; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and three individuals.

Written comments in opposition were received from the United Public Workers.

The Department of Education and Department of Health submitted written comments on the measure.

Your Committee finds that the establishment of the Kawaiiloa Youth and Family Wellness Center will provide much-needed services to at-risk youth and young adults, including victims of commercial sexual exploitation, and thus help to transform the current approach to juvenile justice to a therapeutic model that addresses complex issues affecting young people in the State.

Your Committee has amended this measure by:

- (1) Moving language in section 2 of the measure directing the Office of Youth Services to designate the Hawaii Youth Correctional Facilities as the authority to operate and maintain the Kawaiiloa Youth and Family Wellness Center to section 3 of the measure, and similarly, moving language in section 3 of the measure directing the Hawaii Youth Correctional Facilities to operate and maintain the Center within the scope of its authority to section 2 of the measure;
- (2) Using the terms “youth”, “young adult”, “youth at risk”, and “young adult at risk” throughout the measure and in place of equivalent terms such as “youth in need of services”, where appropriate, for purposes of clarity and consistency;
- (3) Clarifying references in section 1 of the measure with respect to the total number of unaccompanied youth cited in the 2017 Hawaii Statewide Point-in-Time Count and findings with respect to alcohol use among youth that were reported by the Substance Abuse and Mental Health Services Administration;
- (4) Correcting a typographical error in a reference to the Kawaiiloa Youth and Family Wellness Center;
- (5) Changing the effective date to July 1, 2050, to facilitate discussion on the measure; and
- (6) Making technical nonsubstantive changes for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2791, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2791, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2788 Ways and Means on S.B. No. 351

The purpose and intent of this measure is to provide additional sources of funding for the Aha Moku Advisory Committee.

More specifically, the measure:

- (1) Requires the Department of Land and Natural Resources to include the expenses for conducting meetings and other related functions of the state Aha Moku System and Aha Moku Advisory Committee in the Department’s budget and to provide administrative support to the Aha Moku Advisory Committee;
- (2) Allows the special land and development fund to be used for any expenses incurred by the Aha Moku Advisory Committee; and
- (3) Appropriates funds for expenses of the Aha Moku Advisory Committee.

Your Committee received written comments in support of this measure from the Aha Moku Advisory Committee; Koolaupoko Hawaiian Civic Club; Hoomanapono Political Action Committee; Kuiwalu Consulting; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Association of Hawaiian Civic Clubs; Native Hawaiian Organization Charity; and thirty-eight individuals.

The Office of Hawaiian Affairs submitted written comments on the measure.

Your Committee finds that a significant challenge faced by the Aha Moku Advisory Committee has been the instability of its funding, which was completely exhausted as of January 1, 2017. Thus, the additional sources of funding established by this measure will allow the Advisory Committee to continue its important and innovative approach to natural and cultural resource management.

Your Committee has amended this measure by:

- (1) Clarifying that the use of moneys from the special land and development fund, as well as the measure’s appropriation of general fund moneys for expenses incurred by the Aha Moku Advisory Committee, is for expenses incurred in the course of the Advisory Committee’s duties under section 171-4.5, Hawaii Revised Statutes;
- (2) Changing the appropriation from \$350,000 to an unspecified amount;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 351, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 351, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2789 Ways and Means on S.B. No. 2337

The purpose and intent of this measure is to require any state or county agency contractor that disposes of liquid or solid waste to provide a receipt to the contracting agency that verifies that the waste was received and disposed of at a licensed facility.

Your Committee received written comments in support of this measure from Hawaii Advocates for Consumer Rights and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received written comments in opposition to this measure from the General Contractors Association of Hawaii and one individual.

Your Committee notes that state law generally prohibits the disposal of more than one cubic yard of solid waste anywhere other than a permitted solid waste management system. However, your Committee recognizes that despite this prohibition, construction waste from state and county contractors is sometimes disposed of in an unauthorized manner. Your Committee therefore believes that the verification requirement of this measure may reduce the illegal disposal of such waste.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2337, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2337, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2790 Ways and Means on S.B. No. 3077

The purpose and intent of this measure is to advance the use of clean energy.

More specifically, the measure:

- (1) Expands the renewable fuels production tax credit by increasing the total amount of tax credits that can be claimed;
- (2) Makes the tax credit permanent; and
- (3) Establishes a renewable fuel facilitator position within the Department of Business, Economic Development, and Tourism.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Bioeconomy Trade Organization; Hawaii Energy Policy Forum; Hawaii Gas; Hawaii Island Economic Development Board; Hawaii Martin Luther King, Jr. Coalition; Honua Ola Bioenergy LLC; ILWU Local 142; Kupu; Pacific Biodiesel Technologies; and ten individuals.

Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee believes that expanding and making permanent the tax credit for the production of renewable fuels will help encourage investment in renewable fuel production and create jobs. Your Committee also believes that the creation of the renewable fuel facilitator position has the potential to significantly advance the State's clean energy goals.

Your Committee has amended this measure by:

- (1) Reducing the minimum annual renewable fuels production threshold that a taxpayer must meet as a requirement to be eligible for the renewable fuels production tax credit to 2,500,000,000 British thermal units;
- (2) Providing that the measure shall be repealed on an unspecified date; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3077, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3077, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2791 Ways and Means on S.B. No. 2828

The purpose and intent of this measure is to provide the Director of Transportation with greater authority over the motor carrier vehicle safety inspection program.

More specifically, this measure authorizes the Director of Transportation to:

- (1) Alter the administration of the motor carrier vehicle safety inspection program; and
- (2) Adjust the fees paid by a vehicle owner for a motor carrier vehicle safety inspection and the fees collected from the motor carrier vehicle inspection stations,

through administrative rule-making.

Your Committee did not receive any written comments on this measure.

Your Committee finds that the current method of adjusting costs and fees related to state motor carrier vehicle safety inspections by legislation is inefficient. Your Committee also finds that the Director of Transportation is the most qualified person to determine whether costs and fees should be adjusted, and if so, what the adjustment should be.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2828, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2828, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Kahele, Kidani, Shimabukuro).

SCRep. 2792 Ways and Means on S.B. No. 2476

The purpose and intent of this measure is to require the Department of Transportation to adopt rules pertaining to annual vehicle safety inspections.

Your Committee received no written comments on this measure.

Your Committee finds that adopting administrative rules on safety inspections will facilitate the uniform application of safety inspection protocols among inspection stations.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making a technical nonsubstantive change for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2476, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2476, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2793 Ways and Means on S.B. No. 2384

The purpose and intent of this measure is to promote the expansion of Hawaii's computer science education curricula to include the fields of design thinking and coding.

Specifically, this measure requires the Department of Education to:

- (1) Develop a comprehensive plan to integrate design thinking and coding into the curricula of the State's middle, intermediate, and high schools; and
- (2) Submit the plan and any proposed legislation to the Legislature no later than twenty days prior to the convening of the regular session of 2019.

Your Committee received written comments in support of this measure from Transform Hawaii Government, the OCC Legislative Priorities Committee of the Democratic Party of Hawaii, and one concerned individual.

Your Committee received written comments on this measure from the Department of Education.

Your Committee believes that introducing students to complex computer science concepts early in their education will prepare students for highly-skilled careers. Accordingly, encouraging Hawaii's students to learn design thinking and coding will help to develop a competitive information technology workforce in Hawaii and help to position Hawaii as a future leader in the information technology industry.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2384 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2794 Ways and Means on S.B. No. 2746

The purpose and intent of this measure is to authorize the imposition of a fine on employers who fail to comply with various child support provisions.

Specifically, this measure authorizes a maximum fine of \$1,000 to be imposed on any employer who:

- (1) Fails to comply with a court or administrative order to assign the income of an employee for payment of child support;
- (2) Fails to comply with an administrative order to withhold income of an employee for payment of child support; or

- (3) Refuses to hire a prospective employee, discharges an employee, or takes other disciplinary action against an employee, based upon an order or notice to withhold child support. This measure also repeals the criminal penalties for these specific violations.

Your Committee received written comments in support of this measure from the Department of the Attorney General and one individual.

Your Committee finds that the requirements imposed by this measure are necessary to maintain federal welfare funding and federal funding of child support enforcement programs.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2746, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2795 Ways and Means on S.B. No. 2565

The purpose and intent of this measure is to exempt certain producers of agricultural products from the general excise tax for farm equipment and machinery purchases.

Your Committee received written comments in support of this measure from the Department of Agriculture, Hawaii Farm Bureau Federation, Land Use Research Foundation of Hawaii, and Maui County Farm Bureau.

Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that this measure will provide tax relief to Hawaii farmers, who typically earn an average of only \$35,000 annually.

Your Committee has amended this measure by:

- (1) Clarifying that the maximum gross income that a producer may earn to be eligible for the exemption shall be evidenced by the producer's income tax return for the previous taxable year;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure;
- (3) Providing that the measure shall be repealed on an unspecified date; and
- (4) Making a technical nonsubstantive change for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2565, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2565, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Kaele).

SCRep. 2796 Ways and Means on S.B. No. 3070

The purpose and intent of this measure is to encourage students to pursue teaching degrees in needed areas.

More specifically, the measure:

- (1) Establishes a Hawaii teacher stipend program, to be administered by the Department of Education, to address the shortfall of licensed teachers in the Department's schools, especially in identified shortage areas; and
- (2) Appropriates moneys for the program.

Your Committee received written comments in support of this measure from the Department of Education; University of Hawaii System; HSTA; HE'E Coalition; IMUAlliance; OCC Legislative Priorities Committee, Democratic Party of Hawai'i; and one individual.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee recognizes that for the last several years, Hawaii has faced a shortage of teachers in the Hawaii public school system, particularly in select fields of teaching. Your Committee also recognizes that a teacher stipend program may encourage qualified students to pursue teaching degrees and later help fill these critical positions.

Your Committee has amended this measure by:

- (1) Changing the appropriation for the establishment and implementation of the Hawaii teacher stipend program from \$600,000 to an unspecified sum;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making a technical nonsubstantive change for the purpose of consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3070, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3070, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2797 Ways and Means on S.B. No. 2525

The purpose and intent of this measure is to address the development of Kakaako and east Kapolei.

Specifically, this measure:

- (1) Establishes the East Kapolei Community Development District to guide the development of the east Kapolei area, including the area specified in the east Kapolei neighborhood transient-oriented development plan;
- (2) Repeals the Kakaako Community Development District;
- (3) Replaces the Kakaako Community Development District representatives on the Hawaii Community Development Authority with representatives from the East Kapolei Community Development District; and
- (4) Requires the Hawaii Community Development Authority to develop a transitional master plan for the dissolution of the Kakaako Community Development District.

Your Committee received written comments in support of this measure from Ho‘omanapono Political Action Committee.

Your Committee received written comments in opposition to this measure from Hawaii’s Thousand Friends and two individuals.

The Hawaii Community Development Authority and the City and County of Honolulu Department of Planning and Permitting submitted comments on this measure.

Your Committee finds that after four decades, the general purpose and intent of the Kakaako Community Development District have been achieved. Infrastructure upgrades and new zoning regulations in Kakaako have spurred billions of dollars in construction for residential, commercial, and public spaces. Accordingly, it is now appropriate to return the planning, zoning, and development responsibilities for the Kakaako district to the City and County of Honolulu.

Your Committee further finds that the east Kapolei area currently shares many of the potentially developable aspects of 1970s Kakaako, along with a lack of coordination among the various developing entities. Establishing an East Kapolei Community Development District will help to coordinate the development of east Kapolei to best serve community needs while maximizing the value provided by the district lands.

Your Committee has amended this measure by:

- (1) Requiring that the Hawaii Community Development Authority establish a plan, by January 1, 2020, to return planning, zoning, and infrastructure development responsibilities of the Kakaako district to the City and County of Honolulu;
- (2) Changing the effective date from “July 1, 2050,” to “upon approval”; and
- (3) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2525, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2525, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2798 Ways and Means on S.B. No. 2383

The purpose and intent of this measure is to facilitate the recruitment and retention of qualified education professionals in Hawaii.

Specifically, this measure:

- (1) Amends provisions of the national certification incentive program within the Department of Education to include school psychologists who have achieved national certification;
- (2) Amends provisions related to eligible schools where teachers or school psychologists with national certification are eligible for the incentive program;
- (3) Beginning with fiscal year 2018-2019, and each fiscal year thereafter, requires funding requests by charter schools for teacher incentive programs, bonuses, and other compensation beyond regular wages to be a separate line item in the general appropriations act and supplemental appropriations act; and
- (4) Appropriates moneys to fund national certification incentive program bonuses and collectively bargained placement bonuses in hard-to-fill schools for public school teachers, public charter school teachers, and school psychologists.

Your Committee received written comments in support of this measure from the Department of Education; State Public Charter School Commission; Hawaii State Teachers Association; OCC Legislative Priorities Committee, Democratic Party of Hawai‘i; and one individual.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that nationally-certified education professionals, including school psychologists, are a valuable and needed resource in the State, particularly in hard-to-fill schools. Your Committee believes that financial incentives are an effective strategy in the effort to recruit and retain high quality educators and school psychologists.

Your Committee has amended this measure by:

- (1) Specifying that the appropriation will be made as separate line items in the Department of Education and the Hawaii State Public Charter School Commission's budgets and will be expended by each agency for the purposes of the measure; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2383, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2383, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2799 Ways and Means on S.B. No. 2573

The purpose and intent of this measure is to establish and make an appropriation for a regional nutrient cycling pilot program on the island of Maui and require reporting on the efficacy of the pilot project.

Your Committee received comments in support of this measure from the Department of Agriculture; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and three individuals.

Your Committee received comments on this measure from the Hawaii Farm Bureau Federation.

Your Committee finds that nutrient cycling fosters agricultural production by building soil health and fertility. Nutrient cycling puts end products back into the land-based food chain instead of generating waste or causing pollution. Nutrient cycling benefits local agriculture by lowering production costs, increasing yields, reducing waste and revitalizing the soil. A regional nutrient cycling pilot program on the island of Maui supports Hawaii's transition away from a plantation agriculture economy and promotes environmental, economic, and social benefits for the State along with food and energy security for its residents.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$2,000,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2573, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2573, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2800 Ways and Means on S.B. No. 2375

The purpose and intent of this measure is to include advanced practice registered nurses among the healthcare providers that certify an employee's disability for the purposes of receiving temporary disability benefits.

The measure also updates other statutory provisions relating to temporary disability insurance, such as increasing the penalty for employers who fail to submit timely wage and employment information, and modernizing provisions authorizing manners in which hearing notices may be sent.

Your Committee received written comments in support of this measure from the Hawaii Association of Professional Nurses, Hawaii State Center for Nursing, and five individuals.

ILWU Local 142 submitted written comments on the measure.

Your Committee finds that the inclusion of advanced practice registered nurses in the temporary disability insurance claims process will allow claimants to receive timely and quality care by the provider from which they already receive care.

Your Committee has amended this measure by:

- (1) Changing the effective date to January 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2375, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2375, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2801 Ways and Means on S.B. No. 2521

The purpose and intent of this measure is to provide moneys for special education teacher classroom materials to ensure a quality educational experience for all special needs students.

Your Committee received written comments in support of this measure from the Department of Education; Special Education Advisory Council; Hawaii State Teachers Association; IMUAlliance; Kalaheo High School; and four individuals.

Your Committee finds that special education services, including academic, speech-language, psychological, physical and occupational, and counseling accommodations, are needed to meet the unique needs of students with disabilities. Your Committee further finds that, based on statewide assessments, the achievement gap between special education students and general education students in the State is increasing, and closing this gap requires investing in additional resources for special education teachers and classrooms.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2521, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2521, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2802 Ways and Means on S.B. No. 2576

The purpose and intent of this measure is to ensure that public schools are better prepared for emergencies.

Specifically, this measure:

- (1) Requires that all classroom doors be retrofitted with an interior lock by January 1, 2019;
- (2) Requires that all classrooms and outside gathering places be connected to an intercom system by January 1, 2020; and
- (3) Requires the Department of Education to establish an emergency management plan to respond to an emergency or disaster.

Your Committee received written comments in support of this measure from the Oahu County Committee Legislative Priorities Committee of the Democratic Party of Hawaii and twelve individuals.

Your Committee finds that on average, one school shooting occurs every week in the United States. One of the best ways to protect students and teachers during a school shooting or other emergency is to lock the classroom doors, preventing any unauthorized person from entering the classroom. However, locking the doors of public school classrooms requires a teacher to step outside the classroom and lock the door from the exterior, which places the students and the teacher at risk. Requiring that public schools change classroom door locks to also lock from the inside will allow teachers and students to quickly and safely secure classrooms. Your Committee further finds that the requirement of interior locks should expressly include newly constructed classrooms to ensure that the students and teachers in all school classrooms will be protected.

Your Committee believes that the Department of Education, not the Department of Health, is the appropriate entity to be vested with the responsibility to establish the initial and updated emergency management plans specified in section 1 of the measure.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that the classroom doors be equipped, rather than retrofitted, with interior locks, to ensure that the requirement also applies to future classroom construction projects;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2576, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2576, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2803 Ways and Means on S.B. No. 2134

The purpose and intent of this measure is to expand the scope of public officials who are required to attend the Office of Hawaiian Affairs' training course on Native Hawaiian issues pursuant to section 10-41, Hawaii Revised Statutes.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; Office of Hawaiian Affairs; a member of the Maui County Council; Hoomanapono Political Action Committee; Ka Huli Ao Center for Excellence in Native Hawaiian Law; Kanu o ka Aina; Native Hawaiian Education Council; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Papa Ola Lokahi; Society for Hawaiian Archaeology; and fifteen individuals.

Your Committee received written comments on this measure from the Chair of the Maui County Council.

Your Committee recognizes the successful implementation of the training course and the importance of extending the benefits of the course as widely as possible, so that more state and county officials may attain an understanding of Native Hawaiian rights.

Your Committee has amended this measure by:

- (1) Correcting a reference to the Deputy for Water Resource Management of the Department of Land and Natural Resources;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2134, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2134, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2804 Ways and Means on S.B. No. 2903

The purpose and intent of this measure is to appropriate moneys to support the manufacturing development program operated by the Hawaii Technology Development Corporation.

Your Committee received written comments in support of this measure from the Hawaii Technology Development Corporation; Aloha Edibles, Inc.; Aloha Shoyu Company, Ltd.; Chamber of Commerce Hawaii; Hawaii Food Industry Association; Hawaii Coffee Company; Hawaii Fish Company; Hawaii Farm Bureau Federation; HONBLUE; Hyperspective Studios, Inc.; Kona Brewing Company; KYD, Inc.; Makai Ocean Engineering, Inc.; Maui Brewing Company; Maui Chamber of Commerce; Meadow Gold Dairies; OCC on Legislative Priorities Committee, Democratic Party of Hawaii; Oceanit Laboratories, Inc.; and one individual.

Your Committee finds that the Hawaii Technology Development Corporation manufacturing development program is important to the development of the manufacturing industry in the State. Your Committee believes that the continuation of support for the manufacturing development program will allow the program to continue to assist companies with investments in new equipment and employee training.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$1,500,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2903, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2903, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2805 Ways and Means on S.B. No. 3107

The purpose and intent of this measure is to appropriate funds for the treatment of persons with multiple chronic conditions, including mental health disorders, substance use disorders, and homelessness.

Your Committee received written comments in support of this measure from the Queen's Health Systems; Hawaii Substance Abuse Coalition; Life Foundation and the CHOW Project; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Drug Policy Forum of Hawaii; and one individual.

Your Committee finds that investing more of the State's resources into assisting and treating persons struggling with multiple chronic conditions will help to curb the rising costs of healthcare by reducing the need for more acute medical interventions in the future.

Your Committee has amended this measure by:

- (1) Replacing references to "substance abuse" with "substance use" for consistency throughout the measure, and to reflect that "substance use" is the umbrella term used in the *Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (DSM-5)*, to reference what were previously known as substance abuse and substance dependence disorders;
- (2) Changing the appropriations to unspecified amounts;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3107, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3107, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2806 Ways and Means on S.B. No. 2758

The purpose and intent of this measure is to address the housing shortage in the State by promoting the development of affordable housing projects.

Specifically, this measure establishes an expedited approval process for affordable housing projects seeking district boundary amendments for land areas of fifteen acres or less under the jurisdiction of the counties.

Your Committee received written comments in support of this measure from the Office of the Governor; Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; BIA-Hawaii; OCC Legislative Priorities Committee, Democratic Party of Hawai'i; Chamber of Commerce Hawaii; and Hawaii Association of REALTORS.

Your Committee received written comments on this measure from the Land Use Commission and Office of Hawaiian Affairs.

Your Committee finds that establishing a forty-five day approval process for affordable housing projects seeking district boundary amendments for land areas of fifteen acres or less within the jurisdiction of the counties will expedite governmental approvals, save time and money, and create a new incentive for affordable housing development.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2758, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2758, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2807 Ways and Means on S.B. No. 2715

The purpose and intent of this measure is to extend from 2018 to 2023 the authorization to issue special purpose revenue bonds to assist Kaiuli Energy, LLC, in financing or refinancing the costs relating to the planning, design, and construction of a seawater air conditioning district cooling facility and chilled water distribution system.

Your Committee received written comments in support of this measure from the Ulupono Initiative; Kaiuli Energy, LLC; 350 Hawaii; 350.org; and twenty-two individuals.

Your Committee received written comments in opposition to this measure from the Ilikai Hotel Condominium and two individuals.

Your Committee finds that seawater air conditioning projects can help replace energy-intensive central refrigeration systems. This can reduce fossil fuel consumption, electrical usage, harmful emissions, sewer production, and potable water usage. Kaiuli Energy, LLC, is working with major hotel operators and utilities in the Waikiki and Ala Moana areas to implement seawater air conditioning projects, which will both move the State towards its clean energy goals while supporting the tourism industry.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2715 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Kahele, Kidani, Shimabukuro).

SCRep. 2808 Ways and Means on S.B. No. 3089

The purpose and intent of this measure is to allow counties to enact ordinances that require a grantor of real property to include in the applicable certificate or certificates of conveyance a statement that indicates whether the granted real property located within the county may be used for short-term rentals under the county's zoning or land use ordinances.

Your Committee received written comments in support of this measure from the Department of Planning and Permitting of the City and County of Honolulu and one individual.

Your Committee received written comments in opposition to this measure from the Hawaii Association of REALTORS.

Your Committee finds that the illegal use of residential properties as short-term vacation accommodations has caused discord in many communities and exacerbated the shortage of affordable rental housing in the State. Some property owners knowingly violate county ordinances that prohibit the renting of residential properties on a short-term basis in certain areas, while other owners who offer short-term rentals may not be aware that their conduct is illegal.

Your Committee further finds that this measure will help the counties clarify and enforce applicable zoning and land use ordinances and thereby reduce instances in which property owners illegally rent units for short periods of time.

Your Committee has amended this measure by making technical amendments to section 1 of the measure to consolidate redundant provisions and more clearly establish the requirements of this measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3089, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3089, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Inouye, Wakai).

SCRep. 2809 Ways and Means on S.B. No. 2479

The purpose and intent of this measure is to address the growing number of vehicles abandoned on public roads.

Specifically, this measure:

- (1) Requires a county to take into custody a vehicle abandoned on a public road within ten business days of abandonment;

- (2) Clarifies that the requirement to provide written notice to the registered owner of an abandoned vehicle applies only to abandoned vehicles that have been reported stolen;
- (3) Amends the conditions that constitute a derelict vehicle; and
- (4) Repeals the requirement that abandoned vehicles be disposed of by public auction.

Your Committee received written comments in support of this measure from a member of the Hawaii County Council; Ho‘omanapono Political Action Committee; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and seven individuals.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee received written comments on this measure from the County of Maui – Mayor’s Office; and County of Hawaii, Department of Environmental Management.

Your Committee finds that abandoned vehicles on public roads are a widespread and growing environmental problem that can adversely impact human health and safety.

Your Committee has amended this measure by:

- (1) Changing references to county Directors of Customer Services to county Directors of Finance to be consistent with other provisions of the Hawaii Revised Statutes that provide that vehicle registration records be maintained by the Director of Finance of each county;
- (2) Requiring the county agency designated to carry out functions relating to vehicle disposal to adopt rules pursuant to Chapter 91, Hawaii Revised Statutes, regarding notification of vehicle owners;
- (3) Codifying the requirement that the Department of Transportation adopt rules to carry out the purposes of the abandoned vehicles law under Chapter 290, Hawaii Revised Statutes; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2479, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2479, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2810 Ways and Means on S.B. No. 2752

The purpose and intent of this measure is to encourage state agencies and departments to perform energy-efficiency retrofitting of their facilities.

Specifically, this measure creates a sub-fund under the green energy market securitization loan fund to be used as a revolving line of credit for state agencies and departments to finance energy-efficiency measures.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Green Infrastructure Authority; Ulupono Initiative; and OCC Legislative Priorities Committee, Democratic Party of Hawai‘i.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that although the Hawaii green infrastructure special fund is already being used to finance the installation of energy-efficient lighting and other energy-efficiency measures in public schools, this measure will expand this use of the special fund to other state agencies and departments.

Your Committee has amended this measure by:

- (1) Clarifying that the sub-fund shall be created under the Hawaii green infrastructure special fund;
- (2) Codifying requirements and procedures for state departments or agencies applying for financing from the sub-fund;
- (3) Clarifying that a department or agency shall meet with the public benefits fee administrator of the Public Utilities Commission prior to the launch of the project planning phase;
- (4) Changing the appropriation and the amount of the revolving line of credit to unspecified amounts;
- (5) Changing the effective date to July 1, 2050, for the purpose of facilitating further discussion on the measure; and
- (6) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2752, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2752, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2811 Ways and Means on S.B. No. 3049

The purpose and intent of this measure is to provide an additional funding source to assist the counties in addressing the growing problem of abandoned vehicles.

Specifically, this measure:

- (1) Assesses an importation fee on each motor vehicle imported into the State, with funds to be paid to the county that is the final destination of the vehicle; and
- (2) Provides that the funds shall be used for the disposal of abandoned vehicles.

Your Committee did not receive any written comments on this measure.

Your Committee finds that because the cost of abandoned vehicle disposal is borne by the respective counties, the additional county funds generated by this measure will help to minimize the impact of abandoned vehicle disposal.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3049, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3049, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2812 Ways and Means on S.B. No. 1293

The purpose and intent of this measure is to bolster efforts by law enforcement agencies in the State to prevent narcotic use and trafficking and detect explosives and currency by establishing the Special Operations K9 Unit Special Fund.

Prior to decision making on this measure, your Committee made available for public review a proposed S.D. 2 of this measure. The proposed S.D. 2:

- (1) Transfers the Corrections Population Management Commission from the Department of Public Safety to the Judiciary;
- (2) Requires the Commission to:
 - (A) Provide supervisory oversight of the number of inmates in correctional facilities; and
 - (B) Meet not less than once per quarter;
- (3) Requires the Department of Public Safety to provide each member of the Commission with access to information and the authority to conduct spot checks;
- (4) Replaces the Director of Public Safety with the Chief Justice as a member of the Commission;
- (5) Removes from the Commission one judge and one member from the private sector;
- (6) Adds two members to the Commission; and
- (7) Expands the requirements of the Commission's annual report;

Your Committee received testimony in support of this measure from Americans for Democratic Action Hawaii, Community Alliance on Prisons, Hawaii Substance Abuse Coalition, Hawaii Justice Coalition, Young Progressives Demanding Action - Hawaii, Hoomanopono Political Action Committee, and eight concerned individuals.

Your Committee received testimony in opposition to this measure from the Judiciary, the Department of Public Safety, and one concerned individual.

Your Committee finds that transferring the Corrections Population Management Commission from the Department of Public Safety to the Judiciary could help to increase oversight of the correctional facilities in the State.

Your Committee has amended S.B. No. 1293, S.D. 1, by:

- (1) Replacing its contents with the contents of the proposed draft of S.B. No. 1293, S.D. 2;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making a technical nonsubstantive change for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1293, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1293, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11; Ayes with Reservations (Harimoto). Noes, none. Excused, none.

SCRep. 2813 Ways and Means on S.B. No. 2472

The purpose and intent of this measure is to increase the supply of affordable housing by establishing a fund to provide loans or grants for the development of housing units.

Specifically, this measure:

- (1) Establishes the home ownership housing revolving fund to provide loans or grants for the development of affordable for-sale housing projects;
- (2) Requires the Hawaii Housing Finance and Development Corporation to administer the fund and make annual reports regarding the projects funded; and
- (3) Appropriates an unspecified sum into the revolving fund.

Your Committee received written comments in support of this measure from Hawaiian Community Assets; Hawaii Habitat for Humanity Association; Honolulu Habitat for Humanity; Hawaii Alliance for Progressive Action; Young Progressives Demanding Action - Hawaii; NAIOP Hawaii Chapter; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and one individual.

Your Committee received written comments on this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee finds that the loans provided by this program will assist in addressing Hawaii's current critical shortage of affordable housing and the need for sixty-six thousand additional housing units by the year 2025.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2472, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2472, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Riviere, Shimabukuro).

SCRep. 2814 Ways and Means on S.B. No. 2504

The purpose and intent of this measure is to clarify that use of the tourism special fund for marketing Hawaii as a tourism destination shall not count towards the Hawaii Tourism Authority's administrative expenses cap.

Your Committee received written comments on this measure from the Office of the Auditor and the Hawaii Tourism Authority.

Your Committee finds that marketing efforts by the Hawaii Tourism Authority to market Hawaii as a tourism destination should not be considered an administrative expense.

Your Committee has amended this measure by:

- (1) Including a definition of "administrative expenses"; and
- (2) Changing the effective date to July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2504, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2504, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2815 Ways and Means on S.B. No. 2393

The purpose and intent of this measure is to require the Department of Education to create a comprehensive plan to establish one or more alternative learning centers within each school complex area in the State.

The OCC Legislative Priorities Committee, Democratic Party of Hawaii submitted written comments in support of this measure.

The Department of Education submitted written comments on this measure.

Your Committee finds that the development of a comprehensive plan is necessary to ensure that the establishment of alternative learning centers benefits students.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2393, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2393, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2816 Ways and Means on S.B. No. 2676

The purpose and intent of this measure is to codify the United Nations Sustainable Development Goal regarding life on land.

Specifically, this measure establishes various goals to be achieved by the year 2030, including:

- (1) Protecting freshwater ecosystems;

- (2) Promoting sustainable management of forests;
- (3) Combating deforestation;
- (4) Ensuring the protection of mountain ecosystems;
- (5) Reducing the degradation of natural habitats;
- (6) Taking action to end poaching and trafficking of protected species of flora and fauna; and
- (7) Implementing the State's biosecurity plan.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs; Office of Planning; Department of Agriculture; Department of Land and Natural Resources; Oahu Economic Development Board; The Nature Conservancy; Hawaii Green Growth; Planned Parenthood Votes Northwest and Hawaii; OCC Legislative Priorities Committee, Democratic Committee; 350.org; and sixteen individuals.

Your Committee received written comments on this measure from the Hawaii Farm Bureau.

Your Committee finds that codifying the United Nations Sustainable Development Goal will establish a framework for the State to effectively address key challenges. This measure also builds on Hawaii's adoption of goals aligned with the Paris Agreement, enacted by Act 32, Session Laws of Hawaii 2017.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2676, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2817 Ways and Means on S.B. No. 2906

The purpose and intent of this measure is to ensure accountability and coordination between the various departments and agencies tasked with reducing homelessness.

Specifically, this measure:

- (1) Establishes in statute the position of the Governor's Coordinator on Homelessness;
- (2) Provides that the position shall report directly to the Governor; and
- (3) Makes an appropriation to fund the position and other expenses, including the hiring of necessary staff.

Your Committee received written comments in support of this measure from the Department of Human Services; Department of Land and Natural Resources; Department of Transportation; Catholic Charities Hawaii; Hawaii Appleseed Center for Law and Economic Justice; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and one individual.

Your Committee finds that although the Governor has appointed a coordinator on homelessness to coordinate statewide homelessness efforts since 2011, the position and its duties have not been established in state law.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated to the Governor's Coordinator on Homelessness from \$400,000 to an unspecified sum;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2906, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2906, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2818 Ways and Means on S.B. No. 2331

The purpose and intent of this measure is to appropriate moneys to the Department of Land and Natural Resources to improve the Hawaii statewide trail program by improving and maintaining state controlled recreational trails statewide and promoting hiker safety and hiker etiquette education and outreach.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; Carena Leigh Photography; Maunawili Estates Community Association; Metro Rotaract; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Sierra Club of Hawaii; and twelve individuals.

Your Committee finds that a reliable capital investment is needed in order to provide reasonable operational support for regular maintenance of the State's trails and facilities. In addition, your Committee finds that a public awareness campaign to educate hikers on safety and etiquette will assist in reducing future hiking incidents.

Your Committee notes that the Department of Land and Natural Resources would require \$1,800,000 to implement the trail improvements and outreach programs in this measure.

Your Committee has amended the measure by:

- (1) Changing the appropriation from \$1,800,000 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2331, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2331, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2819 Ways and Means on S.B. No. 2520

The purpose and intent of this measure is to provide behavior analysis services to public school students.

More specifically, this measure makes an appropriation to the Department of Education to contract with licensed behavior analysts to provide behavior analysis services to public school students.

Your Committee received written comments in support of this measure from the Department of Education; Hawaii Disability Rights Center; Hawaii Psychological Association; Hawaii State Teachers Association; Aloha Behavioral Associates; Hawaii Association for Behavior Analysis; NASW; Alaki Na Keiki, Inc.; IMUAlliance; and five concerned individuals.

Your Committee received written comments on this measure from one concerned individual.

Your Committee finds that many public school students, including those with autism disorders, could benefit from receiving behavior analysis services.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2520, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2520, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2820 Ways and Means on S.B. No. 2149

The purpose and intent of this measure is to increase the number of district court judges in the Second Circuit from three to four.

Your Committee received written comments in support of this measure from the Hawaii State Judiciary; Hawaii State Bar Association; Maui County Bar Association; MADD; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and one individual.

Your Committee finds that the Legislature has not authorized a district court judge for the Second Circuit since 1982. Your Committee further finds that since 1982, the population of Maui County has more than doubled.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2149, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2149, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Inouye).

SCRep. 2821 Ways and Means on S.B. No. 3034

The purpose and intent of this measure is to increase the State's supply of affordable housing.

Specifically, this measure:

- (1) Requires the Office of Planning to approve or disapprove state agencies' redevelopment plans for parcels along the rail transit corridor; and
- (2) Requires state agencies' development or redevelopment plans for parcels along the rail transit corridor to include affordable housing, unless the Office of Planning determines that housing is not feasible or desirable on a particular property.

Your Committee received written comments in support of this measure from the Department of Human Services; Hawaii Housing Finance and Development Corporation; Hawaii Interagency Council for Transit-Oriented Development; and OCC Legislative Priorities Committee, Democratic Party of Hawai'i.

Your Committee received written comments on this measure from the Stadium Authority.

Your Committee finds that transit-oriented development associated with the construction of the rail transit system in Honolulu has the potential to fulfill the State's housing goal of developing at least 22,500 affordable rental-housing units ready for occupancy between 2017 and 2026.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3034, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3034, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Riviere, Shimabukuro).

SCRep. 2822 Ways and Means on S.B. No. 2089

The purpose and intent of this measure is to promote civic engagement among the youth of the State.

Specifically, this measure:

- (1) Establishes a Youth Commission within the Office of Youth Services to advise the Governor and Legislature on the effects of legislative policies, needs, assessments, priorities, programs, and budgets concerning the youth of the State; and
- (2) Appropriates funds for the hiring of one staff position to administer the Youth Commission and other administrative costs.

Your Committee received written comments in support of this measure from the Office of Youth Services; Community Alliance on Prisons; Students for Public Outreach and Civic Education - SPOCE; Hawaii Youth Services Network; Aloha Light Team; HawaiiKidsCAN; Young Progressives Demanding Action - Hawaii; Hawaii Substance Abuse Coalition; Hawaii Public Health Institute; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and seven individuals.

Your Committee finds that, although youth under the age of eighteen are not allowed to vote in elections, they still deserve access and input in the policymaking process.

Your Committee has amended this measure by:

- (1) Clarifying that the Youth Commission shall annually elect one of its members to serve as chairperson;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of consistency and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2089, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2089, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2823 Ways and Means on S.B. No. 2108

The purpose and intent of this measure is to provide health care premium assistance for any health insurance costs assessed against individuals at various income ranges up to three hundred percent of the federal poverty level.

Your Committee received testimony in support of this measure from the OCC Legislative Priorities Committee, Democratic Party of Hawai'i.

Your Committee received written comments on this measure from the Department of Human Services.

Your Committee finds that access to health care is an important need for Hawaii residents. According to the Federal Census Bureau, about half of the population of the State has an income at three hundred percent of the federal poverty level. Providing health care premium assistance would make health insurance costs more affordable for families in the State.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2108, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2108, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2824 Ways and Means on S.B. No. 3038

The purpose and intent of this measure is to increase the amount of moneys invested in the State's natural resources and environment.

Specifically, this measure:

- (1) Redistributes transient accommodations tax revenues by allocating more moneys to the special land and development fund and reducing the allocation to the tourism special fund; and

- (2) Amends the allowable uses of the transient accommodations tax revenues allocated to the special land and development fund to include:
- (A) The protection, preservation, maintenance, and enhancement of state parks and trails; and
 - (B) The enforcement costs of state parks and trails.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; Office of Hawaiian Affairs; and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received written comments in opposition to this measure from the Hawaii Tourism Authority and Kohala Coast Resort Association.

Your Committee received written comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that, given the continued increase of visitors to the State, and these visitors' interest in Hawaii's natural environment, more moneys should be invested in Hawaii's natural resources and environment.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3038, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3038, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2825 Ways and Means on S.B. No. 2368

The purpose and intent of this measure is to improve child sexual abuse prevention education in the State.

Specifically, this measure:

- (1) Requires the Department of Education to establish a sexual abuse prevention education program beginning with the 2019-2020 school year;
- (2) Requires the program to include age-appropriate curriculum, a minimum of one hour of instruction each school year, instruction on communicating sexual abuse, training for school personnel, and education for parents and guardians of students;
- (3) Authorizes the Department of Education to contract with an organization to carry out the program;
- (4) Requires the Board of Education to adopt policies for the program;
- (5) Requires the Department of Education to submit reports regarding the program; and
- (6) Appropriates funds for the program.

Your Committee received written comments in support of this measure from YMCA Oahu; The Sex Abuse Treatment Center; Hawaii Youth Services Network; American Association of University Women, Hawaii; Parents and Children Together; Hawaii State Coalition Against Domestic Violence; Hawaii State Teachers Association; Planned Parenthood Votes Northwest and Hawaii; YWCA Oahu Advocacy Committee; Safe Keiki Project; IMUAlliance; Save Medicaid Hawaii; Hawaii State Democratic Women's Caucus; and seven individuals.

Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that sexual abuse is a serious and ongoing threat to the safety, health, and well-being of children and young people in the State. This measure establishes a program that will provide guidance to students, teachers, and school personnel regarding the protection of Hawaii's children against sexual abuse.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2368, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2368, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2826 Ways and Means on S.B. No. 3086

The purpose and intent of this measure is to support high technology development by requiring the Department of Business, Economic Development, and Tourism to partner with the United States Department of Energy to establish an Office of Science National Laboratory in the Kalaeloa Community Development District.

Your Committee received written comments on this measure from the Department of Business, Economic Development, and Tourism and the Hawaii Community Development Authority.

Your Committee finds that establishing an Office of Science National Laboratory in Hawaii will support Hawaii's goal of achieving one hundred percent renewable energy use for the entire State.

Your Committee has amended this measure by making a technical nonsubstantive change for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3086, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3086, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2827 Ways and Means on S.B. No. 2704

The purpose and intent of this measure is to establish the policy and permitting framework for the installation of a technologically advanced wireless broadband network in the State.

More specifically, the measure:

- (1) Establishes a process to upgrade and support small wireless facilities and to modify or replace utility poles associated with small wireless facilities;
- (2) Establishes a permitting, application, review, and approval process for wireless service providers to install wireless facilities on state- or county-owned utility poles, or install utility poles in public rights of way; and
- (3) Authorizes wireless communication antennas in rural districts.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; the Department of Transportation; the Office of Enterprise Technology Services; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Maui Hotel & Lodging Association; Sprint; Verizon Wireless; AT&T; the Maui Chamber of Commerce; the Hawaii Lodging and Tourism Association; and CTIA.

Your Committee received written comments in opposition to this measure from a member of the Maui County Council, Charter Communications, and one individual.

Your Committee received written comments on this measure from the Department of Commerce and Consumer Affairs and the Office of the Mayor of the City and County of Honolulu.

Your Committee finds that the availability of an advanced wireless broadband network is the key to many of the State's economic development initiatives. The State currently ranks among the nation's lowest in broadband speeds available to consumers and in wireless broadband service availability. Your Committee believes that encouraging the development of a robust wireless broadband network throughout the State is integral to competitiveness and will improve network capacity to meet consumer demand.

Your Committee has amended this measure by:

- (1) Clarifying that the processes established by this measure shall not apply to state and county poles, related structures, sites, or facilities that support public safety, law enforcement, or emergency communications;
- (2) Specifying that the State or a county may require a wireless provider to consider installing and operating small wireless facilities and utility poles in rural districts where economically feasible;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2704, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2704, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2828 Ways and Means on S.B. No. 2237

The purpose and intent of this measure is to assist the Department of Education in optimizing the use of public school lands.

Specifically, this measure:

- (1) Requires the City and County of Honolulu to transfer to the Department of Education the fee simple title of various parcels used by public schools;
- (2) Authorizes the Department of Education to acquire, hold, and convey real property for public educational purposes; and
- (3) Requires the Department of Education to obtain legislative approval prior to conveying real property.

Your Committee received written comments in support of this measure from the Chamber of Commerce Hawaii.

Your Committee finds that the Department of Education seeks to redevelop underutilized school properties. However, the City and County of Honolulu holds the fee simple title of many school properties, thus impeding redevelopment. Your Committee believes that

transferring the title of various school properties to the Department of Education will remove a significant barrier to renovating public schools and ultimately improve Hawaii's public educational system.

Your Committee has amended this measure by:

- (1) Deleting the entry for Ewa Elementary School because the Tax Map Key (TMK) number for TMK 1-9-1-17-37 does not appear to exist within the records of the City and County of Honolulu, Department of Budget and Fiscal Services, Real Property Assessment Division (Assessment Division) records;
- (2) Noting that only a portion of TMK 1-6-1-1-10, corresponding to Waialua Elementary School, shall be transferred because the Assessment Division records indicate that both the City and County of Honolulu and the State are the fee owners;
- (3) Deleting the TMK 1-3-024-004, corresponding to Dole Intermediate School, because the Assessment Division records indicate that the State is the fee owner of that parcel;
- (4) Changing the TMK corresponding to Noelani Elementary School in the measure from TMK 2-9-023-023 to TMK 1-2-9-23-29 to reflect the Assessment Division records for the TMK corresponding to the address of Noelani Elementary School;
- (5) Making the format of the TMK numbers throughout the measure consistent by adding the county number and removing the leading zeros, where necessary;
- (6) Changing the effective date to January 1, 2050, to facilitate further discussion on the measure; and
- (7) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2237, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2237, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Harimoto, Riviere). Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2829 Ways and Means on S.B. No. 3001

The purpose and intent of this measure is to promote the research and development of alternative energy projects in the State.

Specifically, this measure:

- (1) Establishes an alternative research and development pilot program to promote the research and development of alternative energy by providing matching grants to businesses that meet certain criteria; and
- (2) Appropriates funds for the grants.

Your Committee received written comments in support of this measure from the Hawaii Technology Development Corporation; Makai Ocean Engineering, Inc.; Navatek; Chamber of Commerce Hawaii; and three individuals.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that this measure will support the growth of companies in the State that develop innovative renewable energy technologies and will move Hawaii closer to its clean energy goal of one hundred percent renewable energy by the year 2045.

Your Committee notes that its intent is for funding for the alternative energy research and development pilot program authorized by this measure to continue through fiscal year 2019-2020.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated into and out of the alternative energy research and development revolving fund from \$1,000,000 to an unspecified sum;
- (2) Changing the amount appropriated into and out of the Hawaii technology loan and grant revolving fund from \$1,000,000 to an unspecified sum;
- (3) Changing the maximum amount of moneys that can remain in the Hawaii technology loan and grant revolving fund at the end of any fiscal year from \$2,000,000 to an unspecified sum;
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3001, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3001, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2830 Ways and Means on S.B. No. 2434

The purpose and intent of this measure is to promote the continued development of the Kunoa Cattle Company, LLC, by authorizing the issuance of special purpose revenue bonds to assist the company in the construction of a livestock farm, development of distribution assets and agritourism services, and expansion of the company's renewable energy assets.

Your Committee received written comments in support of this measure from the Board of Agriculture, the Hawaii Farm Bureau Federation, Ulupono Initiative, and the Democratic Party of Hawaii's Oahu County Committee on Legislative Priorities.

Your Committee finds that issuing special purpose revenue bonds to assist the Kunoa Cattle Company, LLC, would encourage food sustainability by increasing the volume of livestock available for local consumption and by improving associated slaughter and processing facility infrastructure.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2434, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2434, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2831 Ways and Means on S.B. No. 2205

The purpose and intent of this measure is to assist the State Foundation on Culture and the Arts in its efforts to encourage artists to remain and work in Hawaii and to reaffirm the importance of artists to Hawaii.

More specifically, this measure appropriates moneys to the State Foundation on Culture and the Arts to award one-time fellowships to promising artists.

Your Committee received written comments in support of this measure from OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee finds that the State Foundation on Culture and the Arts' statutorily defined duties include establishing an individual artist fellowship program. Your Committee further finds the Foundation relies on appropriations to fund the program.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$200,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2205, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2205, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Inouye).

SCRep. 2832 Ways and Means on S.B. No. 2316

The purpose and intent of this measure is to propose a constitutional amendment to modify the appointment process for the Board of Regents of the University of Hawaii.

Specifically, this measure proposes a constitutional amendment to repeal the requirement that the Governor appoint members of the Board of Regents of the University of Hawaii from a list of qualified candidates presented to the Governor by the Candidate Advisory Council for the Board of Regents of the University of Hawaii.

Your Committee received comments in opposition to this measure from the Associated Students of the University of Hawaii and the University of Hawaii Student Caucus.

Your Committee finds that concerns have arisen regarding the selection of candidates to the Board of Regents of the University of Hawaii. Your Committee believes that authorizing the Governor to directly appoint members, instead of selecting appointees from a list of candidates, will ensure a diversified board membership to appropriately oversee the University of Hawaii System.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2316 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2833 Ways and Means on S.B. No. 2574

The purpose and intent of this measure is to authorize the issuance of general obligation bonds for a biological control containment facility on Oahu.

Your Committee received testimony in support of this measure from the Department of Agriculture; the Department of Land and Natural Resources; Big Island Invasive Species Committee; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and a concerned individual.

Your Committee finds that biological control, or reuniting an invasive species in Hawaii with a carefully tested and narrowly targeted pest from the invasive species' native range, is one of the most cost-effective and safe methods for controlling invasive species in Hawaii. The pathogen containment facility for biological control research at the Department of Agriculture, however, has been non-

operational for several years. Your Committee finds that the Department of Agriculture needs a state-of-the-art biological control facility to meet safety standards and control invasive species in the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2574 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2834 Ways and Means on S.B. No. 2173

The purpose and intent of this measure is to appropriate moneys to the Department of the Prosecuting Attorney of the City and County of Honolulu for the career criminal prosecution unit.

Your Committee received written comments in support of this measure from the Department of the Attorney General and Department of the Prosecuting Attorney of the City and County of Honolulu.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that a disproportionate amount of serious crimes are committed against the public by “career criminals”, a relatively small number of multiple and repeat-felony offenders. Providing resources for the career criminal prosecution unit will enable the Prosecuting Attorney of the City and County of Honolulu to prosecute career criminals and protect the public.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2173, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2173, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Kahele, Shimabukuro, Wakai).

SCRep. 2835 Ways and Means on S.B. No. 2668

The purpose and intent of this measure is to codify the State’s commitment to conservation and sustainability by including the affordable and clean energy goal of the United Nations Sustainable Development Goals and indicators, with references to existing state sustainability programs, if applicable, in the Hawaii Revised Statutes.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Transportation; Office of Planning; Oahu Economic Development Board; Hawaii Green Growth; Filipina Advocacy Network FAN; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Sierra Club of Hawaii; 350.org; 350Hawaii; and twenty-nine individuals.

Your Committee received written comments in opposition of this measure from one individual.

Your Committee finds that in order for Hawaii to continue to serve as an example for the rest of the world in setting policies on sustainability and to serve as a global leader on issues of conservation and sustainability, it is essential that the State demonstrate its full commitment to its own policies and goals as well as the goals set on the international stage at United Nations conferences and summits on sustainability, including the United Nations Sustainable Development Goal regarding affordable and clean energy.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2668, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2668, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2836 Ways and Means on S.B. No. 2793

The purpose and intent of this measure is to reduce the incidence of intergenerational poverty and dependence on public benefits by requiring the Department of Human Services to use an integrated and multigenerational service delivery approach in delivering human services.

Your Committee received written comments in support of this measure from the Department of Human Services and Hawaii Primary Care Association.

Your Committee finds that providing programs and services that maintain a high level of service integration, quality, and intensity across multiple generations will help to advance the goal of the Department of Human Services to reduce intergenerational poverty in the State and the human and financial costs associated with poverty.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and

(2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2793, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2793, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2837 Ways and Means on S.B. No. 2256

The purpose and intent of this measure is to provide additional funding to the counties to address the growing number of abandoned vehicles on roadways.

Specifically, this measure:

- (1) Makes the motor vehicle registration fee for U-drive motor vehicles consistent with the \$2 fee for all other motor vehicles; and
- (2) Makes any county ordinance that increases a motor vehicle registration fee applicable to U-drive vehicles.

Your Committee received written comments in support of this measure from the Department of Transportation, Office of the Mayor of the County of Maui, a member of the Maui County Council, and one individual.

Your Committee finds that while U-drive vehicles, better known as rental cars, benefit from a lower county highway beautification fee, these vehicles share the roads alongside all other vehicles and should contribute equally to highway beautification.

Your Committee has amended this measure by making technical nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2256, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2256, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2838 Ways and Means on S.B. No. 2738

The purpose and intent of this measure is to protect personal information of individuals by requiring county police departments and the Department of Transportation to ensure that information stored on an unclaimed electronic device is removed before providing the device to a finder, or recycling or disposing of the device.

Your Committee received written comments in support of this measure from the Department of Transportation, Office of Enterprise Technology Services, Office of Consumer Protection, Honolulu Police Department, and one individual.

Your Committee finds that the disclosure of certain personal information can contribute to identity theft and should therefore be removed from unclaimed electronic devices, in accordance with recognized standards and guidelines, before those devices are provided to finders, recycled, or disposed.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2738, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2738, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2839 Ways and Means on S.B. No. 2184

The purpose and intent of this measure is to promote statewide fire and life safety programs and activities.

More specifically, this measure provides the State Fire Council with the authority to:

- (1) Expend moneys in the Reduced Ignition Propensity Cigarette Program Special Fund to defray the costs of the Council's fire and life safety programs and activities; and
- (2) Hire either a full-time assistant or part-time personnel.

Your Committee received written comments in support of this measure from the Kauai County Fire Department; Hawaii Fire Department; and Maui County Department of Fire and Public Safety.

Your Committee finds that employing additional personnel would allow the State Fire Council to increase its promotion of statewide fire and life safety programs and activities.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2184, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2184, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2840 Ways and Means on S.B. No. 2598

The purpose and intent of this measure is to reduce the frequency of, and prevent, salary overpayments by state departments and agencies.

More specifically, the measure:

- (1) Requires each department to deduct the department's total salary overpayment from the department's budget request for the following fiscal biennium, and to include employees who exhaust their sick leave on a manual accounting system;
- (2) Repeals the two-year statute of limitations for determinations and notice of salary or wage overpayment; and
- (3) Allows officers charged with collecting debt due to salary or wage overpayment to garnish the pensions of former employees, including former employees who have not been employed by the State for more than two years.

The Department of Accounting and General Services, Department of Education, and Employees' Retirement System submitted written comments on the measure.

Your Committee finds that salary overpayments have been an ongoing issue throughout many departments and agencies of the State and that approximately half of all salary overpayments involve an employee's use of unaccrued sick leave. Your Committee believes that requiring departments and agencies to be more accountable for salary overpayments, and enhancing their ability to correct overpaid salaries, will allow the State to more effectively address overpayment waste.

Your Committee has amended this measure by:

- (1) Redesignating from Chapter 26 to Chapter 37, Hawaii Revised Statutes, the new section that requires a department with an outstanding wage or salary overpayment balance at the end of a fiscal biennium to deduct the amount of the balance from the department's budget request in the following fiscal biennium; and
- (2) Deleting the language that authorizes the garnishment of an indebted former employee's pension.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2598, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2598, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2841 Ways and Means on S.B. No. 2861

The purpose and intent of this measure is to ensure the effectiveness of the State's corrections system.

Specifically, this measure:

- (1) Requires the Department of Public Safety to establish performance indicators or measures to be incorporated in reports that evaluate the outcomes of certain programs under its jurisdiction; and
- (2) Requires the Department of Public Safety to submit semi-annual reports to the Legislature of the established performance indicators, criminal offender treatment programs, and programs established pursuant to the Community Safety Act.

Your Committee received written comments in support of this measure from the Department of Public Safety; Ho'omanapono Political Action Committee; Community Alliance on Prisons; American Civil Liberties Union of Hawaii; Hawaii Justice Coalition; OCC Legislative Priorities Committee, Democratic Party of Hawai'i; Aloha Light Team; Young Progressives Demanding Action - Hawaii; 808RAN; and five individuals.

Your Committee finds that the performance indicators required by this measure will provide an effective way to monitor and evaluate the State's corrections programs.

Your Committee has amended this measure by:

- (1) Requiring that the Department of Public Safety post the semi-annual reports required under the Criminal Offender Treatment Act on its website in a timely manner;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2861, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2861, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2842 Ways and Means on S.B. No. 2819

The purpose and intent of this measure is to make an emergency appropriation to provide additional funds for the Department of Public Safety so that it can reimburse the Department of Human Services for the increased costs of hospitalization and specialty out-of-facility care and to cover the increased costs of pharmacy services.

Your Committee received written comments in support of this measure from the Department of Public Safety and Ho'omanopono Political Action Committee.

Your Committee finds that, due to the unexpected increased costs for specialty out-of-facility care and hospitalization of inmates and increased costs for pharmacy services, a critical funding shortage now exists that will prevent the Department of Public Safety from meeting its payment obligations to the Department of Human Services and its pharmacy services provider for the remainder of fiscal year 2017-2018. Your Committee further finds that this appropriation will ensure that the Department of Public Safety will be able to reimburse the Department of Human Services for hospitalization, specialty out-of-facility care, and pharmacy services.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$2,690,500 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2819, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2819, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2843 Ways and Means on S.B. No. 2910

The purpose and intent of this measure is to create a Homeland Security and Resiliency Council to identify issues relating to electric grid and critical infrastructure resiliency throughout the State and to provide recommendations for enhancing that resiliency.

Your Committee received written comments in support of this measure from the Department of Transportation; Hawaii Emergency Management Agency; Distributed Energy Resources Council of Hawaii; Hawaii Energy Policy Forum; Hawaii Solar Energy Association; Hawaiian Electric Company, Inc.; and Sierra Club of Hawaii

Your Committee finds that as a state comprising isolated islands that are vulnerable to natural disasters, Hawaii must have infrastructure in place that can withstand natural disasters and emergencies. Your Committee believes that this measure can enhance the resiliency of the electric grid and critical infrastructure, including hospitals, fire stations, police stations, and ports of entry.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2910, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2910, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2844 (Majority) Ways and Means on S.B. No. 2648

The purpose and intent of this measure is to increase the efficiency and effectiveness of the Public Utilities Commission.

Specifically, this measure:

- (1) Establishes guiding principles for the Commission;
- (2) Establishes docket review and decision-making processes;
- (3) Permits teleconference and videoconference abilities;
- (4) Specifies which senior staff members must file public financial disclosures;
- (5) Increases the number of Commissioners from three to five and updates the composition of the Commission;
- (6) Specifies training requirements for Commissioners;
- (7) Clarifies each Commissioner's ability to appoint and employ staff;
- (8) Clarifies the roles of the executive officer and chief counsel;
- (9) Permits neighbor island members to receive per diem compensation and compensation for travel expenses; and
- (10) Requires the Commission to report to the Legislature regarding certain staff duties.

Your Committee received written comments in support of this measure from the Ulupono Initiative and one individual.

Your Committee received written comments in opposition to this measure from the Public Utilities Commission and one individual.

Your Committee received written comments on this measure from the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs; Hawaii State Ethics Commission; and Hawaii Energy Policy Forum.

Your Committee finds that due to the Public Utilities Commission's increasing responsibilities and the evolution of the regulatory landscape, it is essential that the structure and operations of the Commission be updated to enable the Commission to operate more efficiently and effectively, consistent with best practices.

Your Committee has amended this measure by making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2648, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2648, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, 2 (Harimoto, Riviere). Excused, 1 (Shimabukuro).

SCRep. 2845 Ways and Means on S.B. No. 2278

The purpose and intent of this measure is to improve teacher recruitment and retention.

Specifically, this measure:

- (1) Establishes a teacher home assistance program, to be administered by the Hawaii Housing Finance and Development Corporation, to provide housing vouchers to qualified full-time teachers employed by the Department of Education, including teachers at public charter schools; and
- (2) Appropriates funds to the Hawaii Housing Finance and Development Corporation to provide housing vouchers through the teacher home assistance program.

Your Committee received written comments in support of this measure from the Department of Education; Hawaiian Community Assets; Hawaii State Teachers Association; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Young Progressives Demanding Action - Hawaii; IMUAlliance; Kamehameha Schools; and two individuals.

Your Committee received written comments on this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee finds that Hawaii's high cost of living poses a significant burden on teachers and is a significant contributing factor in the Department of Education's teacher recruitment and retention issues.

Your Committee has amended this measure by:

- (1) Including teachers at public charter schools among those who are eligible to receive a housing voucher on a first-come, first-served basis;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2278, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2278, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2846 Ways and Means on S.B. No. 48

The purpose and intent of this measure is to transfer title, control, custody, and management authority of a certain parcel of land owned by the University of Hawaii to the Hawaii Technology Development Corporation.

More specifically, this measure:

- (1) Transfers the title, control, custody, and management authority for the parcel of land under the Manoa Innovation Center and any buildings, structures, and appurtenances situated on the land, from the University of Hawaii to the Hawaii Technology Development Corporation;
- (2) Requires that the title, control, custody, and management authority of this parcel of land and any buildings, structures, and appurtenances situated on the land, transfer back to the University of Hawaii on June 30, 2029; and
- (3) Provides that the University of Hawaii shall not execute the conveyance until July 1, 2019, and prohibits the University of Hawaii from making any decisions affecting the land during this period.

Your Committee received written comments in support of this measure from the Hawaii Technology Development Corporation; Bright Light Digital; Nalu Scientific, LLC; Hyperspective Studios, Inc.; HI EvoDevo; TeleVoice 2000; Mana Up Labs, LLC; Dev League Inc; Kuehnle AgroSystems Inc.; 3D Innovations; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Honolulu Options Traders, LLC; and Dispute Resolution Collaborative.

Your Committee received written comments in opposition to this measure from the University of Hawaii System.

Your Committee received written comments on this measure from the Department of Business, Economic Development, and Tourism; and Chamber of Commerce Hawaii.

Your Committee finds that the Hawaii Technology Development Corporation (Corporation) relies heavily on the revenues received from renting space in the Manoa Innovation Center to local businesses as part of its incubation services. However, your Committee also finds that the lease between the Corporation and University of Hawaii that allows for these revenues will terminate on June 30, 2018. Your Committee believes that it is important to enable the Corporation to continue providing these incubation services to local technology businesses.

Your Committee has amended this measure by deleting its contents and replacing them with provisions that:

- (1) Make an appropriation to the Hawaii Technology Development Corporation to continue providing services to businesses in the State;
- (2) Request that the Department of Accounting and General Services locate a site for the Corporation to continue providing incubation services; and
- (3) Insert an effective date of July 1, 2050, to facilitate further discussion on the measure.

Your Committee notes that the Hawaii Technology Development Corporation will require an appropriation of \$970,000.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 48, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 48, S.D. 3.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Riviere, Shimabukuro).

SCRep. 2847 Ways and Means on S.B. No. 2748

The purpose and intent of this measure is to update and clarify the charitable solicitations law.

Specifically, the measure amends the charitable solicitations law by:

- (1) Updating and clarifying terminology for receipts and revenues;
- (2) Clarifying the time periods that a professional solicitor must file financial reports with the Attorney General;
- (3) Clarifying a commercial co-venturer's duty to provide an accounting to the charitable organization;
- (4) Clarifying a commercial co-venturer's duties when conferring the benefit from a charitable sales promotion upon the charitable organization;
- (5) Relieving certain charitable organizations from the duty to include an audit report with its annual financial report; and
- (6) Designating the Hawaii Council of Private Schools as a licensing or accrediting organization for charitable organizations exempted from registration and financial disclosure requirements.

Your Committee received written comments in support of this measure from the Department of the Attorney General, Hawaii Association of Independent Schools, Hawai'i Alliance of Nonprofit Organizations, and Hawaii Council of Private Schools.

Your Committee finds that this measure will assist the Attorney General in the oversight of charitable organizations and fundraising activities, clarify regulatory procedures for the nonprofit sector, and provide additional disclosures to the public.

Your Committee has amended this measure by clarifying language relating to the dates by which:

- (1) Professional solicitors conducting charitable solicitation campaigns must file a financial report; and
- (2) Commercial co-venturers conducting charitable sales promotions must deliver an accounting and confer the benefit from the promotion to the charitable organization.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2748, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2748, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Inouye, Wakai).

SCRep. 2848 Ways and Means on S.B. No. 2580

The purpose and intent of this measure is to promote the celebration of King Kamehameha.

More specifically, this measure makes appropriations to the Department of Accounting and General Services to:

- (1) Establish one full-time equivalent (1.0 FTE) Executive Director position for the King Kamehameha Celebration Commission; and
- (2) Fund costs arising from the annual King Kamehameha Day celebration.

Your Committee received written comments in support of this measure from the King Kamehameha Celebration Commission; Hawaiian Civic Club of Honolulu; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Daughters of Hawaii; and Makaha Hawaiian Civic Club.

Your Committee finds that the King Kamehameha Commission was created to coordinate celebrations focused on King Kamehameha. Your Committee finds that the Commission would benefit from an Executive Director to manage daily operations and plan and execute celebration events and festivities statewide.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2580, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2580, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Inouye).

SCRep. 2849 Ways and Means on S.B. No. 2416

The purpose and intent of this measure is to makes certain statutory amendments relating to the conveyance tax.

More specifically, the measure:

- (1) Increases the conveyance tax rates for certain high-value properties; and
- (2) Repeals the statutory monetary cap on the amount of conveyance tax moneys paid into the rental housing revolving fund for the financing of affordable rental housing developments.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, Catholic Charities Hawaii, Hawaii Appleseed Center for Law & Economic Justice, IMUAlliance, and Partners in Care.

Your Committee received written comments in opposition to this measure from the Hawaii Association of REALTORS and Land Use Research Foundation of Hawaii.

Your Committee received written comments on this measure from the Department of Taxation, Hawaii Housing Finance Development Corporation, General Contractors Association of Hawaii, and Tax Foundation of Hawaii.

Your Committee finds that this measure facilitates the availability of additional moneys for affordable rental housing finance and development in the State.

Your Committee has amended this measure by:

- (1) Inserting language that exempts affordable housing from the conveyance tax pursuant to rules to be adopted by the Director of Taxation; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2416, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2416, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2850 Ways and Means on S.B. No. 2304

The purpose and intent of this measure is to reduce the use of tobacco products among youth.

More specifically, the measure prohibits the issuance and renewal of retail tobacco permits and the sale of tobacco products within five hundred feet of schools and playgrounds used extensively by minors.

Your Committee received written comments in support of this measure from the County of Kauai Office of the Prosecuting Attorney; Blue Zones Project-Hawaii; Hawaii Public Health Association; Hawaii Public Health Institute; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Papa Ola Lokahi; Pioneering Healthier Communities of Honolulu; and numerous individuals.

Your Committee received written comments in opposition to this measure from Black Lava Vape, Cigar Rights of America, Hawaii Food Industry Association, Minit Stop Stores, Mokuleia Cigar Company, PCG Enterprises LLC, VOLCANO Fine Electronic Cigarettes, and six individuals.

Your Committee received written comments on this measure from the Department of the Attorney General, Department of Health, and Department of Taxation.

Your Committee finds that while youth walk or ride to school or playgrounds, they may see advertisements for tobacco products and electronic smoking devices or notice those products for sale at locations, including convenience stores, grocery stores, and gas stations, that are near the schools or playgrounds. Your Committee recognizes that several jurisdictions in the United States have established tobacco retail buffer zones, in which tobacco products are not authorized to be sold in retail stores located within a certain distance of a school or playground.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2304, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2304, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2851 Ways and Means on S.B. No. 2653

The purpose and intent of this measure is to increase access to quality medical care, regardless of borders.

More specifically, this measure:

- (1) Establishes requirements for the licensure of physicians, surgeons, and osteopathic physicians to practice in Hawaii by endorsement; and
- (2) Makes an appropriation to support implementation of the new licensure requirements.

Your Committee received written comments in support of this measure from the Department of Health, Hawaii Medical Board, Healthcare Association of Hawaii, Hilo Medical Center, Hawaii Primary Care Association, Hawaii Pacific Health, and one concerned individual.

Your Committee finds that qualified out-of-state medical professionals may face impediments to receiving licensure in the State, and that licensure by endorsement could ease these impediments.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2653, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2653, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2852 Ways and Means on S.B. No. 2868

The purpose and intent of this measure is to improve the collection of the transient accommodations tax.

More specifically, this measure amends the definition of “gross rental” or “gross rental proceeds”, as used in the transient accommodations tax law, to apply the transient accommodations tax to the share of proceeds received by transient accommodations brokers, travel agencies, and tour packagers in noncommissioned transactions.

Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that, under current law, when transient accommodations are sold through a transient accommodations broker, travel agency, or tour packager at a noncommissioned negotiated contract rate, the transient accommodations tax is only imposed on the share of the proceeds received by the operator of the transient accommodation. Your Committee also finds that the intent of this measure is to create parity by also applying the transient accommodations tax to the share of proceeds received by the transient accommodations broker, travel agency, or tour packager. However, as currently drafted, the measure only applies the transient accommodations tax to the share of proceeds received by the transient accommodations broker, travel agency, or tour packager, and not the share received by the operator of the transient accommodation.

Your Committee has amended this measure by:

- (1) Adding provisions to ensure that the transient accommodations tax is applied to the respective shares of proceeds received by operators of transient accommodations, as well as transient accommodations brokers, travel agencies, and tour packagers, in noncommissioned transactions;
- (2) Amending section 237D-2, Hawaii Revised Statutes, to explicitly impose the transient accommodations tax on transient accommodations brokers, travel agencies, and tour packagers;
- (3) Inserting a new section into Chapter 237D, Hawaii Revised Statutes, that requires transient accommodations brokers, travel agencies, and tour packagers to register with the Department of Taxation and pay a \$15 registration fee; and
- (4) Specifying that Chapter 237D, Hawaii Revised Statutes, applies to transient accommodations brokers, travel agencies, and tour packagers in the same manner as it applies to operators of transient accommodations.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2868, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2868, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2853 Ways and Means on S.B. No. 2401

The purpose and intent of this measure is to support various programs across the State to reduce homelessness.

Specifically, this measure:

- (1) Establishes and appropriates funds for a three-year housing homeless children pilot program to assist families with minors, or those families with minors at imminent risk of homelessness due to domestic violence, to obtain and maintain permanent housing; and
- (2) Appropriates funds to the Hawaii Public Housing Authority, Department of Human Services, and Department of Health to support public housing; housing first; rapid rehousing; outreach services programs to homeless persons, including outreach services to runaway and homeless youth and civil legal services; Oahu's Family Assessment Center; and the Law Enforcement Assisted Diversion program.

Your Committee received written comments in support of this measure from the Hawaii Public Housing Authority; Department of Human Services; Governor's Coordinator on Homelessness; YWCA Oahu; Domestic Violence Action Center; Drug Policy Forum of Hawaii; The Salvation Army Addiction Treatment Services; Hawaii Substance Abuse Coalition; Hawaii Youth Services Network; Catholic Charities Hawaii; Mental Health America of Hawaii; Hawaii Pacific Health; Partners in Care; IMUAlliance; Family Promise of Hawaii; PHOCUSED; Hawaii Appleseed Center for Law and Economic Justice; Aloha United Way; Project Vision Hawaii; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Young Progressives Demanding Action - Hawaii; RYSE; Hawaii Kai Homeless Task Force; and seven individuals.

Your Committee received written comments on this measure from the Department of Health.

Your Committee finds that the State needs to turn the tide on homelessness by investing in proven programs like housing first and rapid rehousing, and by making more efficient use of available resources by implementing a data-driven, collaborative process that matches persons experiencing homelessness with the services they need.

Your Committee has amended this measure by:

- (1) Changing all amounts appropriated by this measure to unspecified sums;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2401, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2401, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2854 Ways and Means on S.B. No. 2600

The purpose and intent of this measure is to establish the subcontractor listing pilot program, to be conducted by the University of Hawaii.

More specifically, the measure requires the University of Hawaii to:

- (1) Require all bids for construction contracts where the estimated contract value is more than \$3,000,000, to list all joint contractors and subcontractors; and
- (2) Require all bids for construction contracts where the estimated contract value is less than \$3,000,000, to list the joint contractors and subcontractors representing the electrical, plumbing, asbestos, elevator, and boilermaker trades.

Your Committee received written comments in support of this measure from the University of Hawaii System; Department of Transportation; Department of Budget and Fiscal Services of the City and County of Honolulu; General Contractors Association of Hawaii; Building Industry Association of Hawaii; LYZ, Inc.; Healy Tibbitts Builders, Inc.; Royal Contracting Co., Ltd.; Hawaiian Dredging Construction Company, Inc.; Nordic PCL Construction, Inc.; and Alan Shintani, Inc.

Written comments in opposition were received from the Hawaii Wall and Ceiling Industry Association; Subcontractors Association of Hawaii; Ironworkers Stabilization Fund; Plumbing and Mechanical Contractors Association of Hawaii; Painting Industry of Hawaii Labor Management Cooperation Trust Fund; Hawaii Tapers Market Recovery Trust Fund; Hawaii Glaziers, Architectural Metal Glassworkers Local Union 1889 AFL-CIO Stabilization Trust Fund; Carpet, Linoleum and Soft Tile Local Union 1926 Market Recovery Trust Fund; Sheet Metal Contractors Association; and Electrical Contractors Association.

Your Committee finds that the measure, as received, could have unintended negative impacts on the procurement process, and according to the written comments submitted by the University of Hawaii System, changes to the subcontractor listing requirements for projects valued at less than \$3,000,000 would add to the administrative review process and create new grounds for bid protests.

Accordingly, your Committee has amended this measure by:

- (1) Replacing the language of section 2(a) of the measure in its entirety with language proposed by the University of Hawaii System that:
 - (A) States, among other things, that the subcontractor listing pilot program conducted by the University of Hawaii shall not require a listing of joint contractors or subcontractors to be included in competitive sealed bids for construction where the estimated contract value is less than \$3,000,000; and
 - (B) Deletes references to joint contractors and subcontractors representing the electrical, plumbing, asbestos, elevator, and boilermaker trades;

- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2600, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2600, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11; Ayes with Reservations (Inouye, Kahele, Kidani, Wakai). Noes, none. Excused, none.

SCRep. 2855 Ways and Means on S.B. No. 2074

The purpose and intent of this measure is to assist in the protection of important agricultural lands by extending the period of time in which the Department of Agriculture may certify important agricultural land qualified agricultural cost tax credits.

Your Committee received written comments in support of this measure from the Department of Agriculture; Department of Planning and Permitting of the City and County of Honolulu; a Hawaii County Council member; Alexander and Baldwin; Land Use Research Foundation of Hawaii; Hawaii Farm Bureau Federation; Hawaii Cattlemen's Council; Hawaii Crop Improvement Association; Maui County Farm Bureau; Ka Ohana O Na Pua; and twenty-two individuals.

Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the important agricultural land qualified agricultural cost tax credit provides important financial support that assists farmers on important agricultural lands to sustain their agricultural operations, and allows these farmers to continue to enhance the viability and sustainability of their farming operations.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2074, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2074, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Kahele).

SCRep. 2856 Ways and Means on S.B. No. 2027

The purpose and intent of this measure is to support the efforts of the Statewide Homeless Initiative to prevent homelessness and to rehouse homeless individuals in the State.

More specifically, this measure appropriates moneys to the Department of Human Services to continue and improve the coordinated Statewide Homeless Initiative, provided that certain conditions are met.

Your Committee received written comments in support of this measure from Catholic Charities Hawaii; OCC Legislative Priorities Committee, Democratic Party of Hawaii; IMUAlliance; Hawaii Appleseed Center for Law & Economic Justice; Partners in Care; Aloha United Way; Life Foundation & the CHOW Project; and one concerned individual.

Your Committee received written comments in opposition to this measure from the State Procurement Office.

Your Committee received written comments on this measure from the Department of Human Services, Department of Health, and Governor's Coordinator on Homelessness.

Your Committee finds that since its inception, the Statewide Homeless Initiative has helped thousands of individuals who were homeless or at risk of becoming homeless.

Your Committee notes that the State Procurement Office submitted testimony describing numerous concerns with this measure. However, your Committee believes that this measure should be passed for continued discussion and that the State Procurement Office's concerns should be addressed as the measure moves through the legislative process.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$2,500,000 to an unspecified amount;
- (2) Changing the allocation for continuation of the statewide homeless initiative from \$2,000,000 to an unspecified amount;
- (3) Changing the allocation for landlord outreach and liaison activities from \$500,000 to an unspecified amount;
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2027, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2027, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2857 Ways and Means on S.B. No. 2363

The purpose and intent of this measure is to require and appropriate funds for the Department of Human Resources Development to establish a working group to create and implement a supervisory and professional job shadowing pilot project for state positions.

Your Committee received written comments in support of this measure from the Hawaii Government Employees Association and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Human Resources Development.

Your Committee finds that a supervisory and professional job shadowing pilot project could help ensure the transfer of essential skills and institutional knowledge necessary to stabilize the state workforce.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making a technical nonsubstantive change for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2363, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2363, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2858 Ways and Means on S.B. No. 2196

The purpose and intent of this measure is to repeal the requirement for the County of Kauai to contract with the Kauai Humane Society for the purpose of providing certain animal services.

Your Committee received written comments in support of this measure from the Department of Finance of the County of Kauai.

Your Committee finds that the requirement for the County of Kauai to contract with the Kauai Humane Society is now obsolete and that section 143-16, Hawaii Revised Statutes, should therefore be repealed.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2196 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2859 Ways and Means on S.B. No. 3100

The purpose and intent of this measure is to consolidate the Department of Budget and Finance and the Department of Human Resources Development into a single department, to be known as the Department of Budget, Finance, and Human Resources.

Your Committee received written comments in opposition to this measure from the Department of Budget and Finance and the Department of Human Resources Development.

Your Committee finds that consolidation of the Department of Budget and Finance and the Department of Human Resources Development could improve coordination of state hiring and the budgeting of resources for applicable positions.

Your Committee has amended this measure by changing the effective date to January 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3100, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3100, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2860 Ways and Means on S.B. No. 2257

The purpose and intent of this measure is to provide the public with access to the estimated revenue impact of legislation being considered by the Legislature.

Specifically, the measure requires that a revenue estimate that the Department of Taxation provides to the Legislature or to any executive or administrative office be accompanied by a description of the methodology used and assumptions made in providing that estimate, and that the estimate and description be open to public disclosure, inspection, and copying.

Your Committee received written comments in support of this measure from the Civil Beat Law Center for the Public Interest, Common Cause Hawaii, and Ulupono Initiative.

Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that governmental transparency is necessary to hold public officials accountable to the general public. Although the Department of Taxation provides estimates to the Legislature regarding the revenue impact of proposed legislation, the Department does not necessarily provide accompanying descriptions of the methodologies used and assumptions made in calculating those estimates. Your Committee also notes that the Department's methodologies are not made available to the general public.

Your Committee has amended this measure by:

- (1) Clarifying that the scope of the measure only applies to revenue estimates for proposed state legislation;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2257, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2257, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2861 Ways and Means on S.B. No. 2507

The purpose and intent of this measure is to promote computer science education in the State.

More specifically, this measure:

- (1) Requires the Department of Education to:
 - (A) Develop and implement a computer science curricula plan; and
 - (B) Permit public school students to fulfill one math or one science credit, or both, upon satisfactory completion of one computer science credit per credit requirement;
- (2) Requires the University of Hawaii to permit any applicant for admission to fulfill one math or one science credit, or both, upon satisfactory completion of one computer science credit per credit requirement; and
- (3) Makes an appropriation to the Department of Education to promote computer science education as required under this measure.

Your Committee received written comments in support of this measure from the Microsoft Corporation, Code.org, Women in Technology (Maui Economic Development Board), DevLeague Inc, Purple Maia Foundation, HawaiiKidsCAN, one student at W.R. Farrington High School, and two concerned individuals.

Your Committee received written comments on this measure from the Department of Education and University of Hawaii System.

Your Committee finds that it is increasingly important to provide students with computer science education opportunities.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2507, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2507, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2862 Ways and Means on S.B. No. 2988

The purpose and intent of this measure is to support the health and well-being of caregivers and elders in the State.

Specifically, this measure:

- (1) Appropriates funds to implement the kupuna caregivers program; and
- (2) Requires the Executive Office on Aging to include in its annual report to the Governor and the Legislature a section that details outcomes of the kupuna caregivers program.

Your Committee received written comments in support of this measure from the Elderly Affairs Division of the City and County of Honolulu; Maui County Office on Aging; AARP Hawaii; Hawaii Family Caregiver Coalition; Hawaii Public Health Association; Healthcare Association of Hawaii; Mental Health America of Hawaii; Caring Across Generations; Hawaii Section of the American College of Obstetricians and Gynecologists; Hawaii Alliance for Retired Americans; Kupuna Caucus of the Democratic Party of Hawaii; American Association of University Women, Hawaii; Hawaii Chapter of the American Physical Therapy Association; Hawaii Alliance for Progressive Action; Hawaii Appleseed Center for Law and Economic Justice; Faith Action for Community Equity; Long-Term Care Task Force of the Faith Action for Community Equity; ILWU Local 142; YWCA Oahu; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Civic Education Council; Zonta Club of South Hilo; Hawaii Women's Coalition; PHOCUSED; United Public Workers; and over one hundred thirty individuals.

Your Committee received written comments on this measure from the Executive Office on Aging.

Your Committee finds that the kupuna caregivers program is critical to supporting the well-being of caregivers, who may be elderly themselves, or who may need to consider leaving their jobs or taking a significant cut in pay to care for their parents.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated to implement the kupuna caregivers program from \$4,000,000 to \$3,400,000;

- (2) Requiring the Executive Office on Aging to include in its annual report a cost breakdown and analysis of individuals served, by county and type of service received, for the kupuna caregivers program;
- (3) Requiring the Executive Office on Aging to offer a plan to:
 - (A) Maximize the number of recipients served by the kupuna caregivers program; and
 - (B) Offer certain core services through the program;
- (4) Requiring the Executive Office on Aging to submit a copy of the plan to the legislature prior to the convening of the regular session of 2019;
- (5) Including activities of daily living and attendant care in the services provided by the kupuna caregivers program;
- (6) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (7) Making technical nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2988, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2988, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2863 Ways and Means on S.B. No. 2674

The purpose and intent of this measure is to affirm the State's commitment to conservation and sustainability by codifying in state law the goal relating to climate action, of the United Nations Sustainable Development Goals and indicators.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Department of Agriculture, OCC Legislative Priorities, Hawaii Green Growth, Sierra Club of Hawaii, and three individuals.

Your Committee received written comments on this measure from the Office of Planning and Hawaii Farm Bureau Federation.

Your Committee finds that in order for Hawaii to continue to serve as an example for the rest of the world in setting policies on sustainability and to serve as a global leader on issues of conservation and sustainability, it is essential that the State demonstrate its full commitment to its own policies and goals as well as the sustainable development goals set by the United Nations.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2674, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2674, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Inouye, Wakai).

SCRep. 2864 Ways and Means on S.B. No. 3048

The purpose and intent of this measure is to appropriate moneys to the Department of Land and Natural Resources for the establishment of a training academy for conservation and resources enforcement officers.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; Hanalei Watershed Hui; Kuaaina Ulu Auamo; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and five individuals.

Your Committee believes that the establishment of a training academy for conservation and resources enforcement officers will allow the Department of Land and Natural Resources, through its Division of Conservation and Resources Enforcement, to provide recruits with necessary training in conservation and law enforcement.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$500,928 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3048, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3048, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2865 Ways and Means on S.B. No. 2497

The purpose and intent of this measure is to encourage landlords to rent to tenants who participate in the Section 8 Housing Choice Voucher Program.

More specifically, this measure:

- (1) Requires the Hawaii Public Housing Authority to:
 - (A) Establish a program to offer dwelling insurance policies to landlords that rent their property to tenants who participate in the Section 8 Housing Choice Voucher Program; and
 - (B) Submit a report of its findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019; and
- (2) Makes an appropriation for the establishment of the dwelling insurance program.

Your Committee received written comments in support of this measure from HPHA and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee finds that establishing a program to provide dwelling insurance policies to landlords could encourage landlords to rent their properties to tenants who participate in the Section 8 Housing Choice Voucher Program.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2497, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2497, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2866 Ways and Means on S.B. No. 2904

The purpose and intent of this measure is to support and sustain the Small Business Innovation Research Program operated by the Hawaii Technology Development Corporation by appropriating \$2,000,000 for the continuance of the Program.

Your Committee received written comments in support of this measure from the Hawaii Technology Development Corporation; Chamber of Commerce Hawaii; Experiad Solutions; Hawaii EvoDevo, Hawaii Fish Company; Hawaii Food Industry Association; Hyperspective Studios, Inc.; Kinection; Makai Ocean Engineering, Inc.; Navatek; Nalu Scientific, LLC; Oceanit Laboratories, Inc.; Spectrum Photonics; and two individuals.

Your Committee finds that the Small Business Innovation Research Program is an important initiative of the State that assists Hawaii's small businesses in advancing technology and developing new products. Your Committee further finds that appropriating funds to the Hawaii Technology Development Corporation to support the Small Business Innovation Research Program is in the public interest.

Your Committee notes that the Hawaii Technology Development Corporation agrees that \$2,000,000 is a sufficient appropriation for the Small Business Innovation Research Program as long as it does not replace their priorities requested in the Executive Budget.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$2,000,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2904, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2904, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2867 Ways and Means on S.B. No. 2056

The purpose and intent of this measure is to require each restaurant in the State that offers a children's meal combination to offer a healthy beverage as the default beverage for that combination.

Your Committee received written comments in support of this measure from the Department of Health; Insurance Division, Department of Commerce and Consumer Affairs; American Cancer Society Cancer Action Network; American Diabetes Association; American Heart Association; Blue Zones Project - Hawaii; Hawaii Children's Action Network; Hawaii Dental Hygienists' Association; Hawaii Primary Care Association; Hawaii Public Health Institute; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Papa Ola Lokahi; and numerous individuals.

Your Committee believes that by promoting a healthy meal option for children, which should include providing a healthy beverage, this measure can help build a healthier community.

Your Committee has amended this measure by:

- (1) Deleting an irrelevant provision relating to alcohol from the definition of "restaurant";

- (2) Combining the contents of sections 3 and 4 of the measure into a new section of the Hawaii Revised Statutes, in section 2 of the measure;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2056, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2056, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Riviere, Shimabukuro).

SCRep. 2868 Ways and Means on S.B. No. 2050

The purpose and intent of this measure is to encourage the employment of Hawaii residents with disabilities.

More specifically, this measure:

- (1) Requires the Department of Human Services to:
 - (A) Allow an earned income disregard for certain individuals with disabilities;
 - (B) Evaluate the earned income disregard program at least annually; and
 - (C) Submit an annual report to the Legislature of any updates regarding the earned income disregard program and the viability of implementing a full medicaid buy-in program; and
- (2) Authorizes the Department of Human Services to adopt or amend administrative rules in order to implement this measure.

Your Committee received written comments in support of this measure from the State Council on Developmental Disabilities; Disability and Communication Access Board; Hawaii Disability Rights Center; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and two concerned individuals.

Your Committee received written comments on this measure from the Department of Human Services.

Your Committee finds that encouraging employment of persons with disabilities could benefit employers and provide disabled participants with meaningful employment. Your Committee believes that requiring the Department of Human Services to allow an earned income disregard for certain individuals could help to encourage employment of residents with disabilities.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure;
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2050, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2050, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2869 Ways and Means on S.B. No. 2896

The purpose and intent of this measure is to appropriate moneys to the Japanese Cultural Center of Hawaii for the presentation and coordination of events and programs to celebrate and commemorate the 150th anniversary of the first arrival of the gannenmono, the first Japanese emigrants to Hawaii.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee finds that many diverse community organizations in the State are collectively planning events and celebrations to commemorate the arrival of the gannenmono. Supporting the year-long celebrations will foster cultural, educational, and business exchanges.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$150,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2896, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2896, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2870 Ways and Means on S.B. No. 2177

The purpose and intent of this measure is to establish standards and procedures for income withholding for purposes of enforcing restitution orders.

The measure also appropriates funds to the Department of the Attorney General to enhance its ability to collect restitution, including the hiring of any necessary staff.

Your Committee received written comments in support of this measure from the Prosecuting Attorney of the City and County of Honolulu.

The Department of the Attorney General submitted written comments on the measure.

Your Committee finds that the standards and procedures established by the measure, with respect to income withholding for purposes of enforcing restitution orders, would not impose any additional burden upon employers than what is already required of them under the child support enforcement provisions of Chapter 576D, Hawaii Revised Statutes, or the garnishment provisions of Chapter 652, Hawaii Revised Statutes.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2177, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2177, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2871 Ways and Means on S.B. No. 2100

The purpose and intent of this measure is to update the renewable energy technologies income tax credit.

More specifically, this measure:

- (1) Eliminates the term “renewable energy technology system” and amends the language of the tax credit to focus on solar energy systems, wind energy systems, and energy storage systems;
- (2) Allows a tax credit to be claimed for energy storage systems; and
- (3) Reduces the amount of the tax credit that may be claimed for solar energy systems used primarily to generate electricity, based on when the solar energy system is first placed into service.

Your Committee received written comments in support of this measure from the Alliance for Solar Choice; DER Council of Hawaii; Elemental Excelerator; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Tesla; Ulupono Initiative; and one individual.

Your Committee received written comments in opposition to this measure from the Hawaii Solar Energy Association.

Your Committee received written comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Taxation; and Tax Foundation of Hawaii.

Your Committee finds that incentivizing the adoption of energy storage systems, by inclusion in the renewable energy technologies income tax credit, will help to advance the State’s goal of achieving a one hundred percent renewable energy economy by 2045.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2100, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2100, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2872 Ways and Means on S.B. No. 2075

The purpose and intent of this measure is to support the growth and sustainability of Hawaii’s local agriculture industry.

More specifically, this measure appropriates moneys to the University of Hawaii to support the Sustainable and Organic Agriculture Program administered by the University of Hawaii College of Tropical Agriculture and Human Resources.

Your Committee received written comments in support of this measure from the Department of Agriculture; University of Hawaii System; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and two concerned individuals.

Your Committee finds that supporting sustainable agricultural practices in the State will help to diversify the State’s agriculture industry.

Your Committee has amended this measure by:

- (1) Changing the appropriation for the sustainable and organic agriculture program from \$250,000 to an unspecified amount;
- (2) Changing the amount allocated for one full-time equivalent (1.0 FTE) educational assistant from \$70,000 to an unspecified amount;
- (3) Changing the amount allocated for one full-time equivalent (1.0 FTE) research and extension assistant at the University of Hawaii at Manoa from \$70,000 to an unspecified amount;
- (4) Changing the amount allocated for one full-time equivalent (1.0 FTE) research and extension assistant to serve the counties of Hawaii, Kauai, and Maui, and the City and County of Honolulu, from \$70,000 to an unspecified amount;
- (5) Changing the amount allocated for operating expenses from \$40,000 to an unspecified amount;
- (6) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (7) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2075, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2075, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2873 Ways and Means on S.B. No. 2522

The purpose and intent of this measure is to authorize the State to invest in existing or new agriculture businesses.

Specifically, this measure establishes the Agriculture Accelerator Program to be administered by the Agribusiness Development Corporation to invest, in exchange for equity, in businesses that engage in farming, aquaculture, or ranching activities.

Your Committee received written comments in support of this measure from the Department of Agriculture, Agribusiness Development Corporation, Hawaii Cattlemen's Council, and Hawaii Farm Bureau Federation.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that this measure will assist agriculture businesses in obtaining funds to purchase necessary equipment and make improvements to produce more food at lower costs.

Your Committee has amended this measure by:

- (1) Clarifying that the Agribusiness Development Corporation may invest the funds subject to the approval of the Board of Agriculture; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2522, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2522, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9; Ayes with Reservations (Riviere). Noes, none. Excused, 2 (Galuteria, Kahele).

SCRep. 2874 Ways and Means on S.B. No. 2561

The purpose and intent of this measure is to make an appropriation for the operational expenses and staffing costs of the Hawaii Association of Conservation Districts.

Your Committee received written comments in support of this measure from the Department of Agriculture; Department of Land and Natural Resources; Hawaii Cattlemen's Council; Hawaii Coffee Association; Hawaii Crop Improvement Association; Hawaii Farm Bureau Federation; Larry Jefts Farms, LLC; Local Food Coalition; Maui County Farm Bureau; Pulama Lanai; Sierra Club of Hawaii; Ulupono Initiative; and forty-four individuals.

Your Committee finds that funding for the Hawaii Association of Conservation Districts is necessary in order for it to undertake its work to build the agriculture industry, develop resource conservation initiatives, and preserve natural resources.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$450,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2561, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2561, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2875 Ways and Means on S.B. No. 2890

The purpose and intent of this measure is to improve the collection of the general excise tax.

More specifically, this measure:

- (1) Amends the general excise tax law by adding a definition for “marketplace provider”; and
- (2) Provides that a person with no physical presence in the State shall be considered to be engaged in business in the State if, in the current or immediately preceding calendar year, the person has gross receipts attributable to transactions in the State totaling \$100,000 or more.

Your Committee received written comments in support of this measure from the Department of Taxation, Chamber of Commerce Hawaii, Dripton LLC, and Kiva Health Brands LLC.

Your Committee received written comments on this measure from the Department of the Attorney General, Elizabeth Mott LLC, Hanalei Company, and Tax Foundation of Hawaii.

Your Committee finds that local businesses are required to collect and remit the general excise tax on goods and services sold to consumers in Hawaii. However, businesses located outside the State are not required to collect this tax when they sell goods to Hawaii residents, which places local businesses at a disadvantage by effectively making goods sold by local businesses more expensive. Your Committee believes that this measure will foster fairness in competition by ensuring that businesses located outside the State who generate sufficient income from the business of Hawaii’s residents are taxed by the State on that income.

Your Committee has amended this measure by:

- (1) Clarifying that a person who sells or assists in the sale of tangible personal property, on behalf of another seller, and who provides customer service, processes payments, and controls the fulfillment process is the seller of the property for general excise tax and use tax purposes;
- (2) Clarifying when a representative is not considered a seller for general excise tax purposes;
- (3) Clarifying what constitutes the import of tangible personal property for use tax purposes; and
- (4) Changing the effective date from July 1, 2035, to upon approval.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2890, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2890, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Riviere, Shimabukuro).

SCRep. 2876 Ways and Means on S.B. No. 2204

The purpose and intent of this measure is to appropriate funds to the State Foundation on Culture and the Arts for the planning and coordination of the fiftieth anniversary celebration of the Hawaii State Capitol.

Your Committee received written comments in support of this measure from the Center for Hawaiian Sovereignty Studies.

Your Committee finds that the task force established pursuant to Senate Concurrent Resolution No. 81, Regular Session of 2016, to plan and coordinate the celebration of the fiftieth anniversary of the Hawaii State Capitol, requires support in order to arrange the various program activities and events that will take place from March 15, 2018, through March 15, 2019.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$100,000 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2204, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2204, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Inouye).

SCRep. 2877 Ways and Means on S.B. No. 229

The purpose and intent of this measure is to assist the Vector Control Branch of the Department of Health in undertaking its mission of defending the public from new pest species and diseases.

More specifically, this measure appropriates moneys to establish twelve full-time equivalent (12.0 FTE) positions in the Vector Control Branch of the Department of Health.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; Hawaii Farm Bureau Federation; Coordinating Group on Alien Pest Species; Maui County Farm Bureau; OCC Legislative Priorities Committee, Democratic Party of Hawaii; one member of the Maui County Council; and four concerned individuals.

Your Committee finds that providing the Vector Control Branch of the Department of Health with additional personnel will increase the Branch’s operations, helping to prevent new pest species and diseases from affecting public health in Hawaii.

Your Committee has amended this measure by:

- (1) Deleting the appropriation in the amount of \$741,996 for fiscal year 2017-2018;
- (2) Changing the appropriation for fiscal year 2018-2019 from \$613,876 to an unspecified amount; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 229, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 229, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Riviere, Shimabukuro).

SCRep. 2878 Ways and Means on S.B. No. 2879

The purpose and intent of this measure is to increase the efficiency and effectiveness of the Department of Education's information technology operations.

Specifically, this measure:

- (1) Requires the Office of Enterprise Technology Services, in conjunction with the Department of Education, to establish a working group to study the Department of Education's information technology infrastructure, operations, and services; and
- (2) Establishes the membership and duties of the working group.

Your Committee received written comments in support of this measure from the Office of Enterprise Technology Services and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that the Department of Education will benefit from working collaboratively within the executive branch and more closely with other departments and the Office of Enterprise Technology Services to maximize information technology resources, increase efficiency, reduce duplication, and improve overall accountability.

Your Committee recognizes that the position of "Chief Academic Officer", which this measure includes on the working group, does not appear to be an official position within the Department of Education. Your Committee notes that further discussion is needed to identify the appropriate official within the Department of Education to represent academic interests on the working group.

Your Committee has amended this measure by:

- (1) Removing the representative of the Office of Enterprise Technology Services from the membership of the working group, as the Chief Information Officer will already be representing the office;
- (2) Providing that the working group shall cease to exist on an unspecified date;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2879, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2879, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2879 Ways and Means on S.B. No. 2805

The purpose and intent of this measure is to grant the Executive Director of the Hawaii Civil Rights Commission with greater discretion to decide which cases should be litigated in certain situations.

More specifically, this measure:

- (1) Authorizes the Executive Director of the Hawaii Civil Rights Commission to decide whether to:
 - (A) Demand that the respondent in a discrimination complaint cease the unlawful discriminatory practice; or
 - (B) Dismiss the complaint and issue to the complainant a notice of right to sue, in cases in which a notice of cause has been issued and conciliation efforts fail; and
- (2) Provides an exception to the authority established under paragraph (1) for cases that allege violations of both the state fair housing law under Chapter 515, Hawaii Revised Statutes, and the federal Fair Housing Act.

Your Committee received written comments in support of this measure from the Hawaii Civil Rights Commission and one concerned individual.

Your Committee finds that providing the Executive Director of the Hawaii Civil Rights Commission with greater discretion to either issue a final demand, or to dismiss a complaint and issue a notice of right to sue, could increase the efficiency and effectiveness of the

Commission. Your Committee further finds that the exception for dual-filed fair housing cases is necessary to maintain substantial equivalence with federal fair housing law.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2805 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2880 Ways and Means on S.B. No. 2846

The purpose and intent of this measure is to transfer temporary operational authority over a portion of the east Kauai irrigation system to the Department of Agriculture.

More specifically, this measure:

- (1) Establishes five full-time equivalent (5.0 FTE) positions within the Agricultural Resource Management Division of the Department of Agriculture;
- (2) Transfers temporary operation authority over a certain portion of the east Kauai irrigation system to the Department of Agriculture;
- (3) Authorizes the Director of Finance to issue general obligation bonds in the sum of \$2,000,000 to assist the Department of Agriculture in its efforts to increase state irrigation system capacity; and
- (4) Makes an appropriation for the operations and maintenance of the east Kauai irrigation system.

Your Committee received written comments in support of this measure from the Department of Agriculture, East Kauai Water Users Cooperative, Hawaii Farm Bureau Federation, Kalepa Coalition, Saiva Siddhanta Church, and one concerned individual.

Your Committee finds that exercising operational authority over the east Kauai irrigation system could prevent the irrigation system from falling into disrepair.

Your Committee has amended this measure by:

- (1) Permitting, rather than requiring, the transfer of operational authority from the East Kauai Water Users' Cooperative to the Department of Agriculture;
- (2) Changing the appropriation for the operations and maintenance of the east Kauai irrigation system from \$500,000 to an unspecified amount;
- (3) Recasting language concerning the transfers of moneys from the non-agricultural park lands special fund and the agricultural park special fund into the general fund for purposes of placing the foregoing appropriations into separate appropriation sections of the measure;
- (4) Requiring the Attorney General to review the revocable permit issued by the Department of Land and Natural Resources to the East Kauai Water Users' Cooperative for legal conflicts and submit a report of its findings to the Legislature;
- (5) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (6) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2846, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2846, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Kaele).

SCRep. 2881 Ways and Means on S.B. No. 2820

The purpose and intent of this measure is to make an emergency appropriation to provide funds to temporarily house inmates of Halawa Correctional Facility at another facility while capital improvements are being made at the Halawa Correctional Facility.

Your Committee received written comments in support of this measure from the Department of Public Safety and Ho'omanapono Political Action Committee.

Your Committee received written comments in opposition to this measure from Young Progressives Demanding Action - Hawaii.

Your Committee finds that a capital improvement project at Halawa Correctional Facility has been delayed significantly, requiring additional temporary housing for two hundred forty-eight inmates of the Facility. Your Committee further finds that this measure is recommended by the Governor for immediate passage in accordance with section 9 of Article VII of the Constitution of the State of Hawaii.

Your Committee notes that the Department of Public Safety has requested an appropriation of \$3,361,139 for the purposes of this measure.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$3,361,139 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and

- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2820, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2820, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2882 Ways and Means on S.B. No. 2083

The purpose and intent of this measure is to fund after-school programs at Kalaniana'ole Elementary and Intermediate School, Kapaa Middle School, Konawaena Middle School, and Waimea Canyon Middle School, in order to provide a range of enrichment and learning activities in various subjects.

Your Committee received testimony in support of this measure from the Department of Education; American Heart Association; Hawai'i Afterschool Alliance; Hawaii Youth Services Network; Kama'aina Kids; Kamehameha Schools; Parents and Children Together; Pioneering Healthier Communities of Honolulu; Special Education Advisory Council; and four individuals.

Your Committee finds that funding after-school programs at intermediate and middle schools designated as Title I schools that do not currently have state or federal program funding and have a high number of Native Hawaiian students will inspire and motivate children to learn, support children's social and emotional growth, and help raise academic achievement.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2083, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2083, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Kahele).

SCRep. 2883 Ways and Means on S.B. No. 2972

The purpose and intent of this measure is to advance the rehabilitation of the Banyan Drive redevelopment area.

More specifically, the measure:

- (1) Requires the Department of Land and Natural Resources to allocate ten percent of revenues collected from commercial properties within the Banyan Drive redevelopment area to the Banyan Drive Hawaii Redevelopment Agency; and
- (2) Appropriate funds from the special land and development fund to assist the County of Hawaii in conducting the environmental impact statements that are necessary to complete its redevelopment plan for the Banyan Drive redevelopment area.

Your Committee received written comments in support of this measure from the Office of the Mayor of the County of Hawaii; Planning Department of the County of Hawaii; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and Hawaii Association of REALTORS.

Your Committee received written comments in opposition to this measure from the Department of Land and Natural Resources.

Your Committee finds that working with the County of Hawaii to redevelop the Banyan Drive area will significantly benefit both the County of Hawaii and the State.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$250,000 to an unspecified amount and clarifying the language relating to the matching funds required by the County of Hawaii;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2972, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2972, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2884 Ways and Means on S.B. No. 2351

The purpose and intent of this measure is to prohibit employers from inquiring about the wage or salary history of a job applicant, or relying on wage or salary history, during the hiring process to determine a job applicant's salary, benefits, or other compensation.

The measure also prohibits employers from retaliating or discriminating against an employee who discloses the employee's own wages, discusses or inquires about coworkers' wages, or aids or encourages other employees to exercise their rights under the law.

Your Committee received written comments in support of this measure from the Hawaii Civil Rights Commission; Office of Hawaiian Affairs; AAUW; AAUW of Hawaii; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Planned Parenthood Votes Northwest and Hawaii; Hawaii Appleseed Center for Law and Economic Justice; and nineteen individuals.

The Chamber of Commerce Hawaii and Hawaii Food Industry Association submitted written comments on the measure.

Your Committee finds that the prohibitions established by this measure will help to promote equality in the workplace and encourage equal pay between men and women.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2351, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2351, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Shimabukuro).

SCRep. 2885 Ways and Means on S.B. No. 2305

The purpose and intent of this measure is to require the establishment of a pilot visitation center at one or more minimum security correctional facilities in the State.

The measure also requires the development of a plan for visitation centers at all state-operated correctional facilities.

Your Committee received written comments in support of this measure from the Department of Public Safety; Community Alliance on Prisons; Planned Parenthood Votes Northwest and Hawaii; Blueprint for Change; YWCA Oahu; Hawaii Youth Services Network; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Hawaii Children's Action Network; Aloha Light Team; Hoomanapono Political Action Committee; Young Progressives Demanding Action - Hawaii; Hawaii Justice Coalition; and eight individuals.

The Department of Human Services and Office of Hawaiian Affairs submitted written comments on the measure.

Your Committee finds that the establishment of family visitation centers at correctional facilities operated by the State will support the well-being of children of incarcerated parents and help families with an incarcerated family member strengthen and rebuild their relationships.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$300,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

Your Committee respectfully requests that if this measure is considered by subsequent Committees as part of the legislative process, that those Committees provide clarification requested by the Department of Human Services as to whether the amount appropriated to the Department in the measure is expected to result in both the development of a statewide plan for visitation centers and the establishment of a pilot visitation center.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2305, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2305, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2886 (Majority) Ways and Means on S.B. No. 2501

The purpose and intent of this measure is to establish safe zones for homeless persons.

Specifically, this measure:

- (1) Requires the Department of Human Services to establish safe zones where homeless persons may reside in the State;
- (2) Establishes requirements for, and permissible behavior at, safe zones;
- (3) Requires that safe zones operate until the Legislature determines that homelessness is no longer a crisis in the State; and
- (4) Appropriates funds for safe zones.

Your Committee received written comments in support of this measure from the Governor's Coordinator on Homelessness; OCC Legislative Priorities Committee, Democratic Party of Hawaii; IMUAlliance; Hoomanapono Political Action Committee; and one individual.

Your Committee received written comments in opposition to this measure from the Department of Human Services and Department of Land and Natural Resources.

The Hawaii Association for Justice submitted written comments on this measure.

Your Committee finds that safe zones are one of the many innovated ways to address homelessness and designate locations where individuals have a temporary yet safe place to reside until obtaining more permanent housing.

Your Committee notes that this measure requires the Department of Human Services to maintain and operate safe zones until the Legislature determines that homelessness is no longer a crisis in the State. However, the procedure by which the Legislature will determine that homelessness is no longer a crisis is not clearly defined in the measure. Additionally, this measure absolves the State from liability but does not specify whether the limitation on liability applies only to claims against the State brought by residents of safe zones or whether it includes other persons, such as visitors to the safe zones or public employees and contractors who perform work-related functions at safe zones. Your Committee has passed this measure with an effective date of July 1, 2050, so that these issues may be addressed as this measure moves through the legislative process.

Your Committee has amended this measure by making a technical nonsubstantive amendment for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2501, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2501, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Galuteria). Noes, 2 (Harimoto, Riviere). Excused, none.

SCRep. 2887 Ways and Means on S.B. No. 2136

The purpose and intent of this measure is to specify and appropriate an amount as the Office of Hawaiian Affairs' interim pro rata share of public land trust revenues.

Specifically, this measure:

- (1) Establishes an unspecified sum as the Office of Hawaiian Affairs' interim pro rata share of the public land trust revenues;
- (2) Requires departments that collect receipts from public land trust lands to transfer a portion of those receipts to the Office of Hawaiian Affairs;
- (3) Establishes a set amount that the collected receipts shall total, and procedures to account for any underpayment or overpayment;
- (4) Appropriates funds to account for underpayments for the use of public land trust lands for the period of July 1, 2012, to June 30, 2018; and
- (5) Establishes a Public Land Trust Revenues Committee to study and make recommendations regarding the annual amount of income and proceeds from the public land trust that the Office of Hawaiian Affairs shall receive annually.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Ho'omanapono Political Action Committee; Society for Hawaiian Archaeology; Native Hawaiian Chamber of Commerce; Kanu o ka Aina; and eight individuals.

One individual submitted written comments in opposition to this measure.

Your Committee received written comments on this measure from the Office of the Governor; Department of Budget and Finance; Department of Agriculture; Department of Business, Economic Development, and Tourism; Department of Transportation; Department of Land and Natural Resources; University of Hawaii System; Department of the Attorney General; Agribusiness Development Corporation; Natural Energy Laboratory of Hawaii Authority; Hawaii Community Development Authority; and Common Cause Hawaii.

Your Committee finds that Act 178, Session Laws of Hawaii 2006, established a temporary amount of \$15,100,000 as the annual pro rata portion of income and proceeds from the public land trust under Article XII, section 6, of the Constitution of the State of Hawaii for expenditure by the Office of Hawaiian Affairs for the better of the conditions of Native Hawaiians. Your Committee believes that it is appropriate for the Legislature to revisit the issue of establishing a suitable amount or calculation of the pro rata portion of the public land trust for expenditure by the Office of Hawaiian Affairs.

Your Committee has amended this measure by:

- (1) Deleting all substantive sections of the measure except section 7, establishing the Public Land Trust Revenues Committee;
- (2) Codifying the establishment of the Public Land Trust Revenues Committee within the Hawaii Revised Statutes, due to the permanent nature of the entity;
- (3) Establishing the Public Land Trust Revenues Committee within the Department of Budget and Finance, instead of the Department of Land and Natural Resources;
- (4) Requiring the Public Land Trust Revenues Committee to study and make recommendations on the proposed amount of interim income and proceeds from the public land trust that the Office of Hawaiian Affairs shall receive annually;
- (5) Requiring the Public Land Trust Revenues Committee to submit its recommendations to the Legislature annually;
- (6) Making the Public Land Trust Revenues Committee subject to Chapter 92, Hawaii Revised Statutes, by deleting an exemption for the Committee;
- (7) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (8) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2136, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2136, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11; Ayes with Reservations (Kidani). Noes, none. Excused, none.

SCRep. 2888 Ways and Means on S.B. No. 2320

The purpose and intent of this measure is to develop an undergraduate health sciences academy within the University of Hawaii System.

Specifically, this measure:

- (1) Establishes an undergraduate health sciences academy within the University of Hawaii;
- (2) Requires the University of Hawaii-West Oahu to administer the health sciences academy; and
- (3) Establishes the mission of the health sciences academy to eliminate health disparities in Native Hawaiians, Pacific Islanders, and other underserved communities by establishing certain health-related education pathways.

Your Committee received written comments in support of this measure from the University of Hawaii; Department of Health; The Queen's Health Systems; Kamehameha Schools; Hawaiian Civic Club of Honolulu; Hawaii Public Health Institute; Papa Ola Lokahi; Native Hawaiian Health Coalition; Ho'omanapono Political Action Committee; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and twenty-three individuals.

Your Committee finds that a health sciences academy will help to educate and prepare Native Hawaiians, Pacific Islanders, and other individuals for employment in high-paying health care positions and alleviate medical demands of communities in the State.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2320, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2320, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2889 Ways and Means on S.B. No. 2402

The purpose and intent of this measure is to amend the state low-income housing tax credit by specifying that certain sections of the Internal Revenue Code relating to at-risk rules and deductions and to passive activity loss do not apply with respect to claims for the state low-income housing tax credit.

Your Committee received written comments in support of this measure from the Department of Taxation, Hawaii Housing Finance and Development Corporation, and InState Partners.

Your Committee received written comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that increasing the amount of equity generated by the state low-income housing tax credit may assist in reducing the shortage of affordable housing in Hawaii.

Your Committee has amended this measure by:

- (1) Providing that the amount of state credits allocated by the Hawaii Housing Finance and Development Corporation for a qualified low-income building shall not exceed fifty percent of the amount of federal credits allocated to the building;
- (2) Providing that amendments made to section 235-110.8, Hawaii Revised Statutes, by this measure shall not be repealed when that section is reenacted on December 31, 2021, pursuant to section 4 of Act 129, Session Laws of Hawaii 2016;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2402, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2402, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2890 Ways and Means on S.B. No. 3090

The purpose and intent of this measure is to improve the protection and management of lands comprising Mauna Kea and related natural and cultural resources.

More specifically, the measure:

- (1) Establishes the Mauna Kea Management Authority, which shall be responsible for the management, protection, and security of all Mauna Kea lands;
- (2) Prohibits the presence of more than thirteen telescopes on Mauna Kea at any time, and the presence of more than nine telescopes on Mauna Kea after January 1, 2028;
- (3) Establishes the Mauna Kea Management Revolving Fund;
- (4) Requires the transfer to the Mauna Kea Management Authority of all leases, subleases, easements, permits, and licenses pertaining to Mauna Kea and executed by the University of Hawaii or Department of Land and Natural Resources, and authorizes the renegotiation of the aforementioned agreements;
- (5) Requires the Mauna Kea Management Authority to manage access to Mauna Kea and to establish and collect fees and surcharges for visitors and commercial tour operators to access Mauna Kea;
- (6) Provides for free access to Mauna Kea for the exercise of customary and traditional practices under Article XII, Section 7, of the Hawaii State Constitution;
- (7) Requires that a pro rata share of revenue derived from activities on Mauna Kea lands shall be shared with the Office of Hawaiian Affairs;
- (8) Requires the Mauna Kea Management Authority to establish a unit of rangers having police powers to enforce laws, ordinances, and rules on Mauna Kea lands;
- (9) Excludes Mauna Kea lands from the definition of "public lands";
- (10) Requires that certain lands comprising Mauna Kea and held in trust by the State be transferred from the Department of Land and Natural Resources to the Mauna Kea Management Authority; and
- (11) Appropriates moneys for the establishment and operation of the Mauna Kea Management Authority.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, the Hawaii Regional Council of Carpenters, Ho'omanapono Political Action Committee, and seven individuals.

Your Committee received written comments in opposition to this measure from the Department of Land and Natural Resources; the University of Hawaii System; the Aha Moku Advisory Committee; the Council Member representing District 5 of the Hawaii County Council; Maunakea Observatories; Hawaii Island Chamber of Commerce; Hawaii's Thousand Friends; Hui O Kanaka Mano; KAHEA; The Hawaiian-Environmental Alliance; Ka Lahui Hawaii Political Action Committee; Ka Ohana O Na Pua; Malu 'Aina; Mauna Kea Anaina Hou, Kai Palaoa, and Kia'i Kanaloa; and thirty-seven individuals. Your Committee also received an e-mail petition in opposition to the measure listing an additional one hundred seven individuals.

Your Committee received written comments on this measure from the Department of the Attorney General, the Office of the Mayor of the County of Hawaii, and three individuals.

Your Committee finds that Mauna Kea is of profound cultural and genealogical importance to Native Hawaiians and is also valued as an exceptional site for astronomical advancements. The summit region of Mauna Kea is a spiritual site that is home to cultural landscapes, fragile alpine habitats, historical and archeological treasures, and endemic species found nowhere else. Mauna Kea's exceptional atmospheric conditions make it the world's premier site for astronomical observations. Thus, there is a critical need to manage these sensitive and natural resources in a way that supports both the continuance of traditional and customary practices and facilitates advances in science and technology.

Your Committee further finds that since 1998, four audits by the State Auditor have been critical of the management, stewardship, and protection of Mauna Kea. Despite significant changes and improvements since 1998 regarding those matters, the audit findings and a concurrent erosion in public confidence have underscored a critical need for fresh leadership and a new organizational structure and management style.

Accordingly, your Committee finds that establishing a single new entity to be responsible for all aspects of management, communication, security, and enforcement regarding Mauna Kea lands will increase accountability and ensure the proper stewardship and protection of Mauna Kea.

Your Committee has amended this measure by:

- (1) Deleting references to an intent that the Mauna Kea Management Authority be self-funded and require no appropriations from the State's general fund;
- (2) Clarifying that:
 - (A) The Mauna Kea Management Authority shall be subject to the State's open public meetings and records laws;
 - (B) Department of Land and Natural Resources Division of Conservation and Resource Enforcement officers and county police officers shall be authorized to enforce laws on Mauna Kea lands in cooperation with Mauna Kea rangers;
 - (C) Certain expenditures of revolving funds administered by the Mauna Kea Management Authority shall be subject to legislative appropriation;
 - (D) Revenue to be shared with the Office of Hawaiian Affairs shall be limited to revenue pertaining to the use of Mauna Kea lands; and
 - (E) The Mauna Kea Management Authority shall be prohibited from selling any Mauna Kea lands;

- (3) Deleting references to renewable energy producers;
- (4) Correcting statutory references; and
- (5) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

Your Committee respectfully recommends that, should another legislative committee conduct a hearing on this measure, that committee consider addressing concerns expressed by the Department of Land and Natural Resources regarding hunting access to the Mauna Kea Ice Age Natural Area Reserve and Mauna Kea Forest Reserve.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3090, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3090, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Harimoto, Riviere). Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2891 Ways and Means on S.B. No. 2329

The purpose and intent of this measure is to increase enrollment at the University of Hawaii by capping tuition increases based on the change in the State's median household income.

Your Committee received written comments in support of this measure from the OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received written comments from the University of Hawaii and Associated Students of the University of Hawaii at Manoa.

Your Committee finds that increased enrollment and affordable tuition are issues of statewide concern, and that capping the University of Hawaii tuition increases will improve student enrollment, keep budgetary pace with increased salaries and other costs, and promote a more educated population.

Your Committee has amended this measure by making a technical nonsubstantive change for the purpose of style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2329, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2329, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2892 Ways and Means on S.B. No. 2832

The purpose and intent of this measure is to assist the University of Hawaii in its sustainability efforts.

Specifically, this measure:

- (1) Allows funds appropriated by the Legislature to be deposited into the University of Hawaii green special fund;
- (2) Clarifies the scope of projects that can be funded by the special fund to include planning, design, and implementation of energy efficiency, energy conservation, renewable energy, and sustainability projects;
- (3) Expands the authority of the Chief Financial Officer of the University of Hawaii, in managing the special fund, to collect, expend, and transfer monetary savings realized from university energy and sustainability projects; and
- (4) Specifies that all expenditures from the special fund shall be subject to legislative appropriation.

Your Committee received written comments in support of this measure from the University of Hawaii; Ulupono Initiative; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and one individual.

Your Committee finds that the University of Hawaii is one of the largest consumers of electricity and therefore could be one of the most impactful and effective organizations in utilizing energy efficiency projects.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2832, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2832, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2893 Ways and Means on S.B. No. 2049

The purpose and intent of this measure is to make an appropriation to the University of Hawaii Cancer Center to determine the reasons that Hawaii has the highest incidence of liver and bile duct cancer in the nation.

Your Committee received written comments in support of this measure from the University of Hawaii Cancer Center; American Cancer Society Cancer Action Network; Democratic Party of Hawaii, Hawaiian Affairs Caucus; OCC Legislative Priorities, Democratic Party of Hawaii; and a number of individuals.

Your Committee finds that there is an important public health need for the University of Hawaii Cancer Center to study the prevalence of liver fluke infection, aflatoxin ingestion, and intrahepatic bile duct dilation in the general population and its possible contribution to high rates of liver and bile duct cancer in Hawaii.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2049, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2049, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Kidani, Riviere, Shimabukuro).

SCRep. 2894 Ways and Means on S.B. No. 2084

The purpose and intent of this measure is to establish the agricultural land acquisition fund.

More specifically, this measure:

- (1) Establishes the agricultural land acquisition fund; and
- (2) Makes appropriations into and out of the fund.

Your Committee received written comments in support of this measure from the Department of Agriculture, Agribusiness Development Corporation, Ulupono Initiative, Hawaii Cattlemens Council, and Hawaii Farm Bureau Federation.

Your Committee received written comments on this measure from the Department of Budget and Finance, and Tax Foundation of Hawaii.

Your Committee finds that Article XI, section 3, of the Constitution of the State of Hawaii requires the State to conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency, and ensure the availability of agriculturally suitable lands. Your Committee believes that the agricultural land acquisition fund will help the State to fulfill these requirements.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2084, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2084, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Kahele).

SCRep. 2895 Ways and Means on S.B. No. 2047

The purpose and intent of this measure is to require the Office of the Auditor to conduct a performance audit of the Department of Public Safety.

Your Committee received written comments in support of this measure from the American Civil Liberties Union of Hawaii; Aloha Light Team; Community Alliance on Prisons; Hoomanapono Political Action Committee; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and ten individuals.

Your Committee received written comments in opposition to this measure from the Department of Public Safety and one individual.

Your Committee received written comments on this measure from the Office of the Auditor.

Your Committee finds that a performance audit of the Department of Public Safety will help to provide necessary oversight of the department.

Your Committee has amended this measure by:

- (1) Narrowing the scope of the performance audit;
- (2) Changing the appropriation from \$100,000 to an unspecified amount; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2047, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2047, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2896 Ways and Means on S.B. No. 2168

The purpose and intent of this measure is to appropriate funds for each county to identify and map potential important agricultural lands and make recommendations to the Land Use Commission for the designation of those lands as important agricultural lands.

Your Committee received written comments in support of this measure from the Department of Agriculture; Department of Business, Economic Development, and Tourism; Office of Planning; State Land Use Commission; Hawaii State Association of Counties; a member of the Hawaii County Council; a member of the Honolulu City Council; Ulupono Initiative; Land Use Research Foundation of Hawaii; OCC Legislative Priorities, Democratic Party of Hawaii; Hawaii Cattlemens Council; Alexander & Baldwin; Hawaii Farm Bureau Federation; and two individuals.

Your Committee received comments on this measure from the Mayor of the County of Hawaii.

Your Committee finds that this measure will appropriate funds necessary for the counties to comply with section 205-47, Hawaii Revised Statutes, which requires the counties to identify and map important agricultural lands within their respective jurisdictions.

Your Committee has amended this measure by:

- (1) Authorizing the amounts allocated to the City and County of Honolulu and the County of Kauai to be expended to reimburse those counties for mapping work that has been completed;
- (2) Changing the amounts appropriated to unspecified amounts; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2168, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2168, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2897 Ways and Means on S.B. No. 2943

The purpose and intent of this measure is encourage the development of certain public facilities in proximity to rail transit line stations.

Specifically, this measure:

- (1) Requires the Hawaii Community Development Authority to establish a transit-oriented development infrastructure improvement zone program to facilitate the development of certain areas;
- (2) Authorizes the Hawaii Housing Finance and Development Corporation, at the request of the Hawaii Community Development Authority, to establish transit-oriented development infrastructure improvement zone subaccounts for the benefit of infrastructure improvement projects within a transit-oriented development infrastructure improvement zone;
- (3) Expands the use of the dwelling unit revolving fund to include the transit-oriented development infrastructure improvement zone program;
- (4) Specifies the membership of the Hawaii Community Development Authority responsible for matters affecting transit-oriented development infrastructure improvement zones;
- (5) Appropriates funds from the dwelling unit revolving fund for an infrastructure study; and
- (6) Appropriates general funds to hire one temporary, full-time equivalent position assigned to the transit-oriented development infrastructure improvement zone program.

Your Committee received written comments in support of this measure from the Hawaii Housing Finance and Development Corporation; Hawaii Community Development Authority; Hawaii Interagency Council for Transit-Oriented Development; City and County of Honolulu Department of Planning and Permitting; and OCC Legislative Priorities, Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Stadium Authority.

Your Committee finds that the establishment and use of infrastructure financing tools for lands in proximity to the rail transit line stations will help to make lands more suitable for the development of affordable housing.

Your Committee has amended this measure by:

- (1) Requiring that the study examining the current infrastructure of the transit-oriented development infrastructure improvement zone be conducted in coordination with other studies that assess the needs for state transit-oriented development priority areas and the ongoing infrastructure planning of the City and County of Honolulu;
- (2) Changing the amounts appropriated to unspecified amounts to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2943, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2943, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Riviere, Shimabukuro).

SCRep. 2898 Ways and Means on S.B. No. 2298

The purpose and intent of this measure is to increase the capacity to provide education to healthcare providers in the State.

More specifically, this measure establishes an income tax credit that encourages preceptors to offer professional instruction, training, and supervision to students and residents seeking careers as primary care physicians and advanced practice registered nurses throughout Hawaii.

Your Committee received written comments in support of this measure from the Mayor of the County of Hawaii; University of Hawaii System; University of Hawaii at Hilo Daniel K. Inouye College of Pharmacy; Hawaii State Center for Nursing; Hawaii Chapter of the American Physical Therapy Association; Hawaii Government Employees Association; Hawaii Medical Association; Hawaii Pacific Health; Hawaii Pharmacists Association; Hawaii Primary Care Association; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Pharmacare Hawaii; Straub Medical Center; Waianae Coast Comprehensive Health Center; and seventy-three individuals.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee received written comments on this measure from the Department of Taxation; Tax Foundation of Hawaii; and two individuals.

Your Committee finds that the shortage of primary care providers in the State will be worsened by the projected retirements of current physicians and advanced practice registered nurses. Your Committee further finds that, although Hawaii high school students and residents are interested in pursuing careers in the healthcare service industry, in-state educational institutions are constrained by the lack of clinical education sites in Hawaii and the limited supply of qualified primary and specialty care preceptors.

Your Committee has amended this measure by:

- (1) Making pharmacists eligible to receive the tax credit;
- (2) Requiring the preceptor credit assurance committee established in the measure to certify the amount of the tax credit;
- (3) Clarifying the duties of the preceptor credit assurance committee;
- (4) Requiring taxpayers claiming the tax credit to file a certificate from the preceptor credit assurance committee with their tax returns;
- (5) Clarifying the order in which the preceptor credit assurance committee will certify credits; and
- (6) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2298, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2298, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2899 Ways and Means on S.B. No. 2489

The purpose and intent of this measure is to update the formula used to determine the amount of transient accommodations tax to be collected from time shares.

More specifically, this measure amends the base on which time share occupancy is taxed from one-half of the gross daily maintenance fees that are paid by the owner and are attributable to the time share unit to an unspecified percentage of the gross daily maintenance fees.

Your Committee received written comments in opposition to this measure from ARDA-Hawaii; Hawaii Lodging and Tourism Association; Interval Leisure Group, Inc.; Kohala Coast Resort Association; Marriott Vacations Worldwide Corporation; Maui Hotel and Lodging Association; and Wyndham Vacation Ownership, Inc.

Your Committee received written comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that the tax formula for levying the transient accommodations tax on time share units has not been adjusted since the State began taxing time shares in 1998. Your Committee notes that, according to the Department of Taxation, updating the formula used to determine the amount of transient accommodations tax to be collected from time shares, in the manner set out in this measure, is projected to generate an estimated \$20,200,000 in revenues for the general fund in fiscal year 2019, \$22,800,000 in fiscal year 2020, \$23,400,000 in fiscal year 2021, \$24,100,000 in fiscal year 2022, \$24,900,000 in fiscal year 2023, and \$25,600,000 in fiscal year 2024.

Your Committee has amended this measure by:

- (1) Changing the effective date from January 1, 2050, to upon approval; and
- (2) Applying the measure to taxable years beginning after December 31, 2018.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2489, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2489, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2900 Ways and Means on S.B. No. 2757

The purpose and intent of this measure is to lower the costs of developing and operating affordable housing.

Specifically, this measure:

- (1) Extends the exemption from the general excise tax applicable to certain affordable rental housing projects by an additional four years;
- (2) Removes the cap on the tax exemption; and
- (3) Prohibits project owners who received the tax exemption from refusing to lease a unit in the project to a qualified applicant on the basis that the applicant holds a voucher or certificate of eligibility under section 8 of the United States Housing Act.

Your Committee received written comments in support of this measure from the Office of the Governor; Department of Taxation; Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; Hawaii Public Housing Authority; and Hawaii Construction Alliance.

Your Committee received written comments on this measure from the Office of Hawaiian Affairs; Tax Foundation of Hawaii; and General Contractors Association of Hawaii.

Your Committee finds that the tax exemption provided by this measure will assist in addressing Hawaii's current critical shortage of affordable housing and the need for sixty-six thousand additional housing units by the year 2025.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2757, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2757, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2901 Ways and Means on S.B. No. 2798

The purpose and intent of this measure is to establish a special fund, to be administered by the Department of Health, for the administration of the Medicaid Section 1915(c) Home and Community-Based Services Waiver for People with Intellectual and Developmental Disabilities.

Your Committee received written comments in support of this measure from the Department of Health, Department of Human Services, and the Arc.

Your Committee finds that authorizing the creation of the special fund proposed by this measure will help the Department of Health properly and efficiently administer the federal waiver and continue serving persons with intellectual and developmental disabilities.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2798, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2798, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Kahele).

SCRep. 2902 Ways and Means on S.B. No. 2586

The purpose and intent of this measure is to protect care facility patients and authorize the investigation of unlicensed care facilities.

More specifically, the measure:

- (1) Authorizes the Department of Health to investigate care facilities reported to be operating without an appropriate certificate or license issued by the Department;
- (2) Prohibits patient referrals and transfers to uncertified and unlicensed care facilities; and
- (3) Establishes penalties for violations.

Your Committee received written comments in support of this measure from the Department of Health, State Long Term Care Ombudsman, and four individuals.

Your Committee received written comments in opposition to this measure from Maile Case Management and two individuals.

Your Committee received written comments on this measure from AARP Hawaii and the Healthcare Association of Hawaii.

Your Committee finds that there is a small but growing number of unlicensed care facilities operating in the State and that it is necessary to prohibit the transfer of patients to, and authorize the investigation of, those unlicensed facilities.

Your Committee has amended this measure by:

- (1) Changing the effective date to January 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2586, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2586, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2903 Ways and Means on S.B. No. 2773

The purpose and intent of this measure is to establish regulations for third party administrators.

Specifically, this measure:

- (1) Encourages disclosure of contracts between insurers and third party administrators to potential insureds and the Insurance Commissioner;
- (2) Promotes the financial responsibility of third party administrators;
- (3) Regulates third party administrators' practices; and
- (4) Governs the qualifications and procedures for the licensing of third party administrators.

Your Committee received written comments in support of this measure from the Insurance Division of the Department of Commerce and Consumer Affairs.

Your Committee received written comments on this measure from Hawaii-Western Management Group.

Your Committee finds that the regulations established by this measure are based on the National Association of Insurance Commissioners' Registration and Regulation of Third Party Administrators Guideline.

Your Committee has amended this measure by:

- (1) Making corrections to the quoted text of sections 431:7-101 and 432:1-102, Hawaii Revised Statutes, in the measure to accurately reflect the printed version of the Hawaii Revised Statutes; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2773, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2773, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2904 Ways and Means on S.B. No. 2396

The purpose and intent of this measure is to support the agricultural industry in Hawaii.

Specifically, this measure:

- (1) Appropriates moneys for deposit into the agricultural loan revolving fund and the Hawaii water infrastructure special fund;
- (2) Appropriates moneys out of the agricultural loan revolving fund and the Hawaii water infrastructure special fund to support agriculture; and
- (3) Establishes a \$2,500,000 per fiscal year ceiling for the Hawaii water infrastructure special fund.

Your Committee received comments in support of this measure from the Hawaii Department of Agriculture; the Land Use Research Foundation of Hawaii; the Ulupono Initiative; the OCC Legislative Priorities Committee, Democratic Party of Hawai'i; the Hawaii Farm Bureau Federation; and one concerned individual.

Your Committee finds that as increased agricultural lands have become available, additional funds are required for the agricultural loan revolving fund to support new farmers and improve the State's food self-sufficiency. Your Committee also finds that the Hawaii water infrastructure special fund requires additional funding in order to provide for current and future loan applications.

Your Committee has amended this measure by:

- (1) Deleting the section of the bill that established a balance ceiling for the Hawaii water infrastructure special fund;
- (2) Changing the appropriations into and out of the agricultural loan revolving fund from \$5,000,000 to an unspecified amount;

- (3) Changing the appropriations into and out of the Hawaii water infrastructure special fund from \$2,500,000 to an unspecified amount; and
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2396, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2396, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2905 Ways and Means on S.B. No. 1235

The purpose and intent of this measure is to appropriate grant funds to support Hana Health on Maui and for emergency services at Waianae Coast Comprehensive Health Center.

For the purposes of a public hearing, your Committee circulated a proposed S.D. 2 (Proposed Draft) of the measure and notified the public that your Committee would be accepting testimony on the Proposed Draft, which deletes the contents of the S.D. 1 of this measure and appropriates funds to improve cardiac care at Hilo Medical Center.

Your Committee received testimony in support of the Proposed Draft from the Mayor's Office of the County of Hawaii; Community First; Ohana Health; Hawaii Island Chamber of Commerce; Hawaii Island Economic Development Board; Hawaii Health Systems Corporation; Hilo Medical Center; Hui Malama Ola Na Oiwai; JCCIH GAC; Orchidland Safety Committee; United Public Workers; Volcano CAN; YWCA of Hawaii Island; Zonta Club of Hilo; and forty-four individuals.

Your Committee finds that offering interventional cardiology for heart attack treatment to patients in the County of Hawaii, mitigating the need to airlift patients to Maui or Oahu and improving patient outcomes, is in the public interest.

Your Committee has amended this measure by adopting the Proposed Draft with the following additional amendments:

- (1) Changing the appropriation from \$2,000,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1235, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1235, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2906 Ways and Means on S.B. No. 2531

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist in the retrofitting of low- and moderate-income apartment complexes to include sprinkler systems.

Your Committee received written comments in support of this measure from the State Fire Council; County of Maui Department of Fire and Public Safety; and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the July 14, 2017, fire at the Marco Polo condominium building demonstrates that certain older apartment complexes need to be retrofitted with sprinkler systems. Your Committee further finds that the issuance of special purpose revenue bonds to assist in the retrofitting of low- and moderate-income apartment complexes to include sprinkler systems is in the public interest.

Your Committee has amended this measure by:

- (1) Clarifying that the retrofit program is to be state-wide; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2531, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2531, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2907 Ways and Means on S.B. No. 2678

The purpose and intent of this measure is to affirm the State's commitment to conservation and sustainability by codifying in state law the goal relating to strengthening implementation of the United Nations Sustainable Development Goals and indicators.

Your Committee received written comments in support of this measure from the Department of Agriculture; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and Oahu Economic Development Board.

Your Committee received comments on this measure from the Office of Planning and Hawaii Farm Bureau Federation.

Your Committee finds that, in order for Hawaii to continue to serve as an example for the rest of the world in setting policies on sustainability and to serve as a global leader on issues of conservation and sustainability, it is essential that the State demonstrate its full commitment to its own policies and goals as well as the sustainable development goals set by the United Nations.

Your Committee has amended this measure by:

- (1) Setting out the Hawaii 2050 Sustainability Plan goals in the preamble of the measure, rather than in a new section of the Hawaii Revised Statutes; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2678, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2678, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2908 Ways and Means on S.B. No. 2424

The purpose and intent of this measure is to authorize the construction, use, and funding of micro housing units for Hawaiian Home Lands beneficiaries.

Your Committee received written comments in support of this measure from CNHA; EAH Housing; Hawaii Appleseed Center for Law and Economic Justice; Hawaii Habitat for Humanity Association; Hawaiian Civic Club of Honolulu; Hawaiian Community Assets; Hoomanapono Political Action Committee; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Young Progressives Demanding Action - Hawaii; and three individuals.

Your Committee received written comments in opposition to this measure from the Center for Hawaiian Sovereignty Studies.

Your Committee received written comments on this measure from the Department of Hawaiian Home Lands and Office of Hawaiian Affairs.

Your Committee finds that micro housing units are a viable housing option for a number of beneficiaries on Hawaiian Home Lands.

Your Committee has amended this measure by:

- (1) Changing both of the appropriations to unspecified amounts;
- (2) Inserting a severability clause to provide for the operation of the provisions of the measure that can take effect upon the approval of the measure without the consent of Congress;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2424, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2424, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2909 Ways and Means on S.B. No. 2705

The purpose and intent of this measure is to promote public-private partnerships.

More specifically, the measure:

- (1) Authorizes and appropriates moneys for the establishment of five state public-private partnership coordinator positions within the Department of Accounting and General Services to manage certain public-private partnerships entered into by the State; and
- (2) Establishes the Office of Public-Private Partnership within the Department of Accounting and General Services.

Your Committee received written comments in support of this measure from the Office of the Governor, Department of Transportation, BIA Hawaii, Chamber of Commerce Hawaii, and Hoomanapono Political Action Committee.

Your Committee received written comments in opposition to this measure from the Aloha Light Team; Common Cause Hawaii; Hawaii Justice Coalition; OCC Legislative Priorities Committee, Democratic Party of Hawaii; Ohana Hoopakele; Young Progressives Demanding Action - Hawaii; and eleven individuals.

Your Committee received written comments on this measure from the Department of Accounting and General Services, Stadium Authority, and American Civil Liberties Union of Hawaii.

Your Committee believes that the collaboration between the public and private sectors that is possible through public-private partnerships gives the State an opportunity to more efficiently and effectively provide services to the public.

Your Committee has amended this measure by:

- (1) Placing the Office of Public-Private Partnership and the five state public-private partnership coordinator positions within the Department of Business, Economic Development, and Tourism, rather than the Department of Accounting and General Services;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2705, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2705, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2910 Ways and Means on S.B. No. 2670

The purpose and intent of this measure is to affirm the State's commitment to conservation and sustainability by codifying in state law the goal relating to industry, innovation and infrastructure, of the United Nations Sustainable Development Goals and indicators.

Your Committee received written comments in support of this measure from the Department of Agriculture; Department of Human Services; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and Oahu Economic Development Board.

Your Committee received written comments on this measure from the Office of Planning and Hawaii Farm Bureau Federation.

Your Committee finds that, in order for Hawaii to continue to serve as an example for the rest of the world in setting policies on sustainability and to serve as a global leader on issues of conservation and sustainability, it is essential that the State demonstrate its full commitment to its own policies and goals, as well as the sustainable development goals set by the United Nations.

Your Committee has amended this measure by:

- (1) Setting out the Hawaii 2050 Sustainability Plan goals in the preamble of the measure, rather than in a new section of the Hawaii Revised Statutes; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2670, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2670, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2911 Ways and Means on S.B. No. 2276

The purpose and intent of this measure is to appropriate funds for the Department of Human Services to establish and staff a five-year pilot program in east Hawaii county that limits the number of children per child welfare services caseworker to no more than twenty.

Your Committee received written comments in support of this measure from the Department of Human Services; the Mayor's Office for the County of Hawaii; two members of the Hawaii County Council; Office of the Prosecuting Attorney, County of Hawaii; Catholic Charities Hawaii; East Hawaii Friends of Foster Families; Hawaii Appleseed Center for Law & Economic Justice; Hawaii Children's Action Network; Hawaii Family Forum; Winners' Camp Foundation; and forty-three individuals.

Your Committee received written comments on the measure from the Friends of the Children's Justice Center of East Hawaii.

Your Committee finds that the heavy caseloads of child welfare social workers in east Hawaii county increase the potential for harm to children at risk for neglect or abuse. Your Committee further finds that a pilot project demonstrating the positive impact of adequate staffing levels on the safety and well-being of at-risk children in east Hawaii county is in the public interest.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2276, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2276, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2912 Ways and Means on S.B. No. 2665

The purpose and intent of this measure is to affirm the State's commitment to conservation and sustainability by codifying in state law the goal relating to quality education, of the United Nations Sustainable Development Goals and Indicators.

Your Committee received written comments in support of this measure from the Board of Agriculture; the Department of Education; the Department of Human Services; the University of Hawaii System; IMUAlliance; Oahu Economic Development Board; and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received comments on this measure from the Office of Planning.

Your Committee finds that in order for Hawaii to continue to serve as an example for the rest of the world in setting sustainability policies and to serve as a global leader on conservation and sustainability, it is essential that the State demonstrate its full commitment to its own policies and goals as well as the sustainable development goals and indicators set by the United Nations.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2665, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2665, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2913 Ways and Means on S.B. No. 2990

The purpose and intent of this measure is to establish paid family leave for all workers.

Specifically, the measure:

- (1) Requires the Department of Labor and Industrial Relations to adopt administrative rules by January 1, 2020, that establish a paid family leave program that includes an unspecified minimum number of weeks of paid leave, coverage for all employees, a system of progressive wage replacement, and job protections;
- (2) Authorizes the Department of Labor and Industrial Relations to adopt interim rules to remain in effect until January 1, 2022, or permanent rules are adopted, whichever occurs sooner;
- (3) Establishes a temporary Paid Family Leave Implementation Board to assist the Department of Labor and Industrial Relations and report to the Legislature;
- (4) Requires the Legislative Reference Bureau to conduct comparative and actuarial analyses;
- (5) Establishes the paid family leave special fund; and
- (6) Appropriates funds to the Department of Labor and Industrial Relations and Legislative Reference Bureau.

Your Committee received written comments in support of this measure from the Department of Human Services; Hawaii State Commission on the Status of Women; AFL-CIO; Hawaii Government Employees Association; Hawaii State Teachers Association; Planned Parenthood Votes Northwest and Hawaii; Mental Health America of Hawaii; League of Women Voters Hawaii; Healthy Mothers Healthy Babies; Smart Yields; Hawaii State Commission on Fatherhood; Hawaii Applesseed Center for Law and Economic Justice; PHOCUSED; Hawaii Children's Action Network; American College of Obstetricians and Gynecologists, Hawaii Section; IMUAlliance; Hawaii Women's Coalition; Young Progressives Demanding Action -Hawaii; YWCA Oahu; National Association of Social Workers, Hawaii Chapter; AARP Hawaii; Hawaii Women Lawyers; BEST Birth Hawaii, Pregnancy Center and Doula Agency; Hawaii Alliance for Progressive Action; American Association of University Women, Hawaii; Hawaii Public Health Institute; Hawaii State Democratic Women's Caucus; Caring Across Generations; Americans for Democratic Action Hawaii; Community Alliance on Prisons; International Brotherhood of Electrical Workers Local Union 1260; Project Vision Hawaii; American Civil Liberties Union of Hawaii; and approximately one hundred twenty individuals.

Written comments in opposition were received from SHRM Hawaii and the Chamber of Commerce Hawaii.

The Department of Budget and Finance, Department of Labor and Industrial Relations, Legislative Reference Bureau, ILWU Local 142, Hawaii Food Industry Association, and General Contractors Association of Hawaii submitted written comments on the measure.

Your Committee finds that establishing a system of paid family leave will assist many workers in the State who shoulder the responsibility of caring for a loved one while trying to make ends meet.

However, your Committee also recognizes that a number of issues and concerns have been raised by departments and agencies with respect to the implementation of paid family leave as established by the measure, including the following:

- (1) The Department of Budget and Finance highlighted the importance of having a "clear understanding of the issues and costs related to implementing a mandated paid leave system" before enacting any legislation;
- (2) The Department of Labor and Industrial Relations commented on the complexity of this undertaking and expressed numerous concerns, including the adequacy of resources available for implementation, the possibility that a mandated paid leave system may be premature, and factors that could delay the work of the Paid Family Leave Implementation Board and make the measure's 2019 deadline for the Implementation Board's report to the Legislature "ambitious";
- (3) The Legislative Reference Bureau commented on the unnecessarily complicated division of responsibilities between the Paid Family Leave Implementation Board, Department of Labor and Industrial Relations, and the Bureau, as well as the duplication of effort among these agencies under the measure; and
- (4) The Department of Human Services noted that there already exists a "wealth of data" in the form of a 2017 research study conducted by the Hawaii State Commission on the Status of Women. The study, funded by a federal grant program supporting research and analysis of paid family leave programs at the state level, used Hawaii-specific data and employee information, and according to the Hawaii State Commission on the Status of Women, is a "thorough study of the issues and costs related to [implementing] a mandated paid leave system".

Should this measure move forward as part of the legislative process, your Committee respectfully requests that the subsequent Committees to which this measure is referred consider the foregoing issues and concerns.

Your Committee has amended this measure by:

- (1) Clarifying a reference to “all employees of employers who employ one or more employees”, with respect to the persons to be covered by the paid family leave program;
- (2) Clarifying that all executive branch departments and agencies shall enter into and participate in data-sharing agreements for purposes of implementing a paid family leave program;
- (3) Changing the appropriation amounts to unspecified sums;
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2990, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2990, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11; Ayes with Reservations (Riviere). Noes, none. Excused, none.

SCRep. 2914 Ways and Means on S.B. No. 2398

The purpose and intent of this measure is to encourage the consumption of fresh fruits and vegetables.

More specifically, the measure:

- (1) Requires the Department of Agriculture to develop and administer a local health food incentive program promoting the purchase of fruits and vegetables for beneficiaries of the Supplemental Nutrition Assistance Program; and
- (2) Appropriates moneys from the local health food incentive program special fund for administration of the local health food incentive program and to provide matching funds to beneficiaries of the Supplemental Nutrition Assistance Program.

Your Committee received written comments in support of this measure from the Department of Agriculture; Department of Health; Department of Human Services; Office of the Mayor of the County of Hawaii; Hawaii Farm Bureau Federation; American Heart Association; Aloha Harvest; Hawaii Public Health Association; The Food Basket Inc., Hawai'i Island's Food Bank; Papa Ola Lokahi; Ulupono Initiative; Hawai'i Public Health Institute; Hawai'i Pacific Health; Hawaii Appleseed Center for Law & Economic Justice; Hawaii Primary Care Association; Hawaii Children's Action Network; Pioneering Healthier Communities of Honolulu; Waianae Coast Comprehensive Health Center; OCC Legislative Priorities Committee of the Democratic Party of Hawai'i; Community First; Blue Zones Project – Koolaupoko; American Cancer Society Cancer Action Network and sixty individuals.

Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that consumption of fresh fruit and vegetables is an integral part of a healthy diet and that every community should have adequate access to fresh produce; however, the high cost and poor quality of available produce often make this difficult. Farmers' market matching incentive programs, in which individuals who purchase produce at local farmers' markets using their federal nutrition assistance benefits receive additional benefits on a dollar-for-dollar basis up to a certain amount, can increase access to healthy dietary options for participants, invigorate local economies, and address food insecurity.

Your Committee has amended this measure by:

- (1) Changing the appropriation into and out of the local health food incentive program special fund from \$300,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2398, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2398, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2915 Ways and Means on S.B. No. 2661

The purpose and intent of this measure is to affirm the State's commitment to conservation, sustainability, and economic development by codifying in state law, the seventeen United Nations Sustainable Development Goals and Indicators.

Your Committee received written comments in support of this measure from the Department of Agriculture, Department of Education, Department of Land and Natural Resources, a member of the Maui County Council, the Nature Conservancy, Oahu Economic Development Board, and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Office of Planning.

Your Committee finds that in order for Hawaii to continue to serve as an example for the rest of the world in setting policies on sustainability and to serve as a global leader on issues of conservation and sustainability, it is essential that the State demonstrate its full commitment to its own policies and goals as well as the sustainable development goals and indicators set by the United Nations.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2661, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2661, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2916 Ways and Means on S.B. No. 2831

The purpose and intent of this measure is to restore the full authority of the President of the University of Hawaii to act as the University's chief procurement officer for all procurement contracts under Chapter 103D, Hawaii Revised Statutes.

Your Committee received written comments in support of this measure from the State Procurement Office, University of Hawaii, and General Contractors Association of Hawaii.

Your Committee believes that the University, through its President, may benefit from the restoration of control of its procurement for a limited period, during which the Legislature may maintain oversight over the University.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure;
- (2) Providing for the reenactment of the sections of the Hawaii Revised Statutes amended in this measure upon the measure's repeal; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2831, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2831, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2917 Ways and Means on S.B. No. 757

The purpose and intent of this measure is to appropriate moneys for the Office of the Auditor to conduct a financial audit of the University of Hawaii's activities related to Mauna Kea.

Your Committee received written comments in support of this measure from the OCC Legislative Priorities Committee, Democratic Party of Hawaii; and two individuals.

Your Committee received written comments in opposition to this measure from the University of Hawaii and one individual.

Your Committee received written comments on this measure from the Office of the Auditor, Office of Hawaiian Affairs, and one individual.

Your Committee finds that an examination of the financial records and an analysis of the financial management of the University of Hawaii's activities related to Mauna Kea is in the public interest.

Your Committee has amended this measure by:

- (1) Clarifying the scope of the audit and the description of audit activities;
- (2) Changing the appropriation from an unspecified amount to \$200,000;
- (3) Changing the effective date from July 1, 2018, to upon approval; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 757, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 757, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2918 Ways and Means on S.B. No. 2293

The purpose and intent of this measure is to preserve the Front Street Apartments as an affordable rental housing project through negotiations with the property owner, or if necessary, through the State exercising its power of eminent domain to acquire the property.

Your Committee received written comments in support of this measure from the Hawaii Housing Finance and Development Corporation; Office of the Mayor of the County of Maui; a member of the Maui County Council; Front Street Apartment Tenants

Group; ILWU Local 142; LahainaTown Action Committee; Lahuiokalani Ka'anapali Church; OCC Legislative Priorities Committee, Democratic Party of Hawaii; St. Elizabeth's Church; Waiola Church, UCC; West Maui Taxpayers Association; and sixteen individuals.

Your Committee received written comments in opposition to this measure from Front Street Affordable Housing Partners.

Your Committee finds that the tenants of the Front Street Apartments, the surrounding community, and the island of Maui would benefit from the active intervention of the State to ensure that the current and future tenants of the Front Street Apartments have access to affordable housing.

Your Committee has amended this measure by changing the appropriation for negotiations and real property improvements from \$250,000 to an unspecified amount to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2293, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2293, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2919 Ways and Means on S.B. No. 2765

The purpose and intent of this measure is to exempt investment employees of the Employees' Retirement System from civil service and collective bargaining laws.

Specifically, this measure authorizes:

- (1) The Board of the Employees' Retirement System to hire investment officers and professionals who shall be employed without regard to Chapters 76 and 89, Hawaii Revised Statutes; and
- (2) Current investment specialists to remain in their positions and continue to be subject to Chapter 76, Hawaii Revised Statutes.

Your Committee received written comments in support of this measure from the Employees' Retirement System and University of Hawaii Professional Assembly.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that exempting the positions of the Employees' Retirement System responsible for managing the investment portfolio will provide the Board of the Employees' Retirement System with the flexibility to attract and hire the experienced professionals necessary to achieve the System's investment goals.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2765, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2920 Ways and Means on S.B. No. 2751

The purpose and intent of this measure is to update laws related to the Office of Aerospace Development and the Pacific International Space Center for Exploration Systems.

More specifically, this measure:

- (1) Establishes the Hawaii Unmanned Aerial Systems Test Site Advisory Board;
- (2) Places the Pacific International Space Center for Exploration Systems within the Department of Business, Economic Development, and Tourism;
- (3) Makes changes to the composition of the Board of Directors of the Space Center;
- (4) Adds the Chancellor of the University of Hawaii at Hilo, or the Chancellor's designated representative, to the Board of Directors;
- (5) Establishes a ceiling of \$1,000,000 to the Pacific International Space Center for Exploration Systems Special Fund; and
- (6) Repeals the Office of Aerospace Development and transfers all of its rights, powers, functions, and duties to the Space Center.

Your Committee received written comments in support of this measure from the Pacific International Space Center for Exploration; and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received written comments in opposition to this measure from the UH Applied Research Lab and BIFA.

Your Committee received written comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that the Pacific International Space Center for Exploration Systems is currently administratively attached to the Office of Aerospace Development. However, your Committee believes that it would be more appropriate for the Space Center to be renamed to the Office of Aerospace and Aviation Industries and to be attached to the Department of Business, Economic Development, and Tourism.

Your Committee has amended this measure by:

- (1) Renaming the Pacific International Space Center for Exploration Systems as the Office of Aerospace and Aviation Industries;
- (2) Including economic development and job creation among the responsibilities of the Hawaii Unmanned Aerial Systems Test Site Advisory Board;
- (3) Including the promotion of economic opportunities and creation of jobs among the responsibilities of the Hawaii Unmanned Aerial Systems Test Site Chief Operating Officer;
- (4) Revising the responsibilities of the Executive Director of the Office of Aerospace and Aviation Industries to include the planning, evaluation, and coordination of economic opportunities and job creation for space-related research activities;
- (5) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (6) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2751, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2751, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2921 Ways and Means on S.B. No. 2077

The purpose and intent of this measure is to authorize the Department of Land and Natural Resources to become a member of the Interstate Wildlife Violator Compact or a similar agreement.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; Animal Rights Hawaii; Hawaiian Humane Society; Humane Society of the United States; Interstate Wildlife Violator Compact; OCC Legislative Priorities Committee, Democratic Party of Hawaii; One Ocean Diving; and twenty individuals.

Your Committee believes that this measure will facilitate the enforcement efforts by the Department of Land and Natural Resources in relation to hunting, fishing, and wildlife protection.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2077, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2922 Ways and Means on S.B. No. 2740

The purpose and intent of this measure is to make an appropriation to satisfy several claims against the State, its officers, or its employees.

Your Committee received written comments in support of this measure from the Department of the Attorney General and one individual.

Your Committee finds that this measure requests a total of \$870,000 in appropriations from the general fund to satisfy six claims against the State and a total of \$1,389,312.84 from the state highway fund to satisfy three claims against the State. The grand total for the nine claims settled in this measure as received by your Committee is \$2,259,312.84. Timely passage of this measure will minimize the State's obligation to pay interest on those amounts.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2740, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Riviere, Shimabukuro).

SCRep. 2923 Ways and Means on S.B. No. 2228

The purpose and intent of this measure is to establish forfeiture of Employees' Retirement System benefits for felonies related to state or county employment.

Specifically, this measure:

- (1) Authorizes a court to order the forfeiture of Employees' Retirement System benefits of a member, former member, or retirant upon the conviction of that individual for a felony related to the employment of the individual with the State or any county;
- (2) Authorizes designated beneficiaries to receive benefits upon the death of the convicted member, former member, or retirant despite court-ordered forfeiture of benefits; and
- (3) Establishes procedures for the Employees' Retirement System to follow upon receipt of an applicable court order.

Your Committee received written comments in support of this measure from the Employees' Retirement System and one individual.

Your Committee finds that this measure will codify the public policy that contributors to the Employees' Retirement System who are convicted of a felony related to their employment with the State or any county should not be eligible to receive retirement benefits accrued during employment.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2228, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Shimabukuro).

SCRep. 2924 Ways and Means on S.B. No. 2360

The purpose and intent of this measure is to require public employees, within thirty days before the anniversary date of their initial membership in an employee organization, to provide written notification to the employee's exclusive representative if the employee wishes to discontinue payroll assignments for collective bargaining dues, fees, premiums, and other associated benefits.

Your Committee received written comments in support of this measure from the Hawaii State Teachers Association, Hawaii Government Employees Association, United Public Workers, and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee finds that this measure will create a standardized process for the flow of information among the employee, exclusive representative, and employer regarding collective bargaining fees and related employee expenses and will provide stability and order in the administration of employee payroll.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2360 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2925 Ways and Means on S.B. No. 2346

The purpose and intent of this measure is to establish an address confidentiality program within the Department of the Attorney General to help survivors of domestic abuse, sexual offenses, or stalking relocate and keep their actual addresses confidential.

The measure also appropriates funds to the Department of the Attorney General for the implementation and operation of the address confidentiality program.

Your Committee received written comments in support of this measure from the Department of the Attorney General; Parents and Children Together; the Sex Abuse Treatment Center; Planned Parenthood Votes Northwest and Hawaii; the Domestic Violence Action Center; Hawaii Women Lawyers; Hawaii State Democratic Women's Caucus; Hawaii Women's Coalition; Hawaii State Coalition Against Domestic Violence; American Association of University Women, Hawaii; University of Hawaii-Leeward; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and five individuals.

The Department of Taxation submitted written comments on the measure.

Your Committee believes that the address confidentiality program established by this measure will help to better protect survivors of domestic abuse, sexual offenses, or stalking by providing them with a substitute legal address for use by state and local government agencies, in place of their physical address, whenever an address is required for public records.

Your Committee has amended this measure by:

- (1) Specifying the means by which written notice of a court order requiring disclosure of a program participant's actual address is to be served upon the program participant;
- (2) Changing the appropriation's effective date to July 1, 2049;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

Your Committee notes that the Department of the Attorney General estimates it will need an additional \$172,128 for fiscal year 2018-2019 to cover program personnel costs, including fringe benefits, for a program director and two application assistants, as well as an additional \$60,000 to physically house these personnel and procure the equipment and supplies needed for the program, for a total of an additional \$232,128 for fiscal year 2018-2019.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2346, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2346, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Riviere, Shimabukuro).

SCRep. 2926 Ways and Means on S.B. No. 2996

The purpose and intent of this measure is to establish the Hawaii Airports Corporation, which shall assume all of the authority, powers, functions, duties, and responsibilities of the Department of Transportation related to aeronautics and airports

Your Committee received written comments in support of this measure from the Office of the Governor; the Department of Transportation; Hawaii Tourism Authority; two members of the Maui County Council, including the Chair; Aircraft Owners and Pilots Association; Airlines Committee of Hawaii; Airport Concessionaires Committee; American Institute of Architects; Bank of Hawaii; Canada-France-Hawaii Telescope Corp.; Chamber of Commerce Hawaii; Electrical Contractors Association; Enterprise Holdings; Hawaii Lodging & Tourism Association; Hawaii Business Roundtable; Hawaii Pacific Health; Hawaiian Airlines; Hoomanapono Political Action Committee; Japanese Chamber of Commerce & Industry of Hawaii; Kau Valley Farms; Kohala Coast Resort

Association; Maui Chamber of Commerce; Maui Hotel & Lodging Association; Pulama Lanai; Sheet Metal Contractors Association; Subcontractors Association of Hawaii; and seven individuals.

Your Committee received written comments in opposition to this measure from the Office of Hawaiian Affairs and one individual.

Your Committee received comments on this measure from the Department of the Attorney General, the State Procurement Office, American Council of Engineering Companies - Hawaii, General Contractors Association of Hawaii, and Plumbing and Mechanical Contractors Association of Hawaii.

Your Committee finds that the responsibilities for Hawaii's airport planning, management, marketing, and capital development functions are currently distributed among a number of agencies. Your Committee believes that the coordinated planning and development of the State's air transportation system and infrastructure would be achieved more effectively by establishing a separate state entity with overall jurisdiction and responsibility for aeronautics and state airports.

Your Committee has amended this measure by:

- (1) Inserting additional provisions relating to procurement policy requirements and the sale, gift, or exchange of public lands;
- (2) Changing the appropriation for the transfer of airport functions from \$3,000,000 to an unspecified amount to facilitate further discussion on the measure;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

Your Committee notes the testimony of the Airport Concessionaries Committee, which requested that the measure include a requirement that one member of the Board of Directors of the Hawaii Airports Corporation represent general airport-concession interests.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2996, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2996, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2927 Ways and Means on S.B. No. 2601

The purpose and intent of this measure is to increase efficiency and accountability in government procurement.

Specifically, this measure:

- (1) Requires that past performance be considered in bid selection of contractors in sole source procurement;
- (2) Establishes procedures and factors to be considered in evaluating, considering, or reviewing past performance;
- (3) Requires an evaluation of the work and performance of a contractor upon completion of a contract; and
- (4) Appropriates funds to the State Procurement Office.

Your Committee received written comments in support of this measure from the State Procurement Office.

Your Committee received written comments in opposition to this measure from the Department of Accounting and General Services and the Department of Design and Construction of the City and County of Honolulu.

Your Committee received written comments on this measure from the General Contractors Association of Hawaii.

Your Committee finds that because consideration of past performance is not currently required in the procurement process, bidders with poor past performance on public contracts may be considered for new procurements, resulting in repeated inefficient and substandard performances.

Your Committee has amended this measure by:

- (1) Replacing existing language establishing procedures and factors to be considered in the evaluation, consideration, or review of past performance with language recommended by the State Procurement Office that establishes evaluation factors and responsibilities for recording and maintaining contractor performance information;
- (2) Establishing contract administration duties and providing that a procurement officer may delegate certain duties to a contract administrator;
- (3) Requiring that past performance be considered in source selection for competitive sealed contracts that exceed the small purchase threshold;
- (4) Requiring that procurement officers consider certain factors, including past performance, when making a determination of offeror responsibility;
- (5) Clarifying that the appropriation to the State Procurement Office shall be used to implement the Act for executive branch departments and agencies;
- (6) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (7) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2601, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2601, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2928 (Majority) Ways and Means on S.B. No. 3088

The purpose and intent of this measure is to extend by three months the period in which a county may adopt a surcharge on state tax, under certain conditions, from March 31, 2018, to June 30, 2018.

This measure also specifies the minimum amount of surcharge revenues to be expended on public transportation systems and the maximum amount to be expended on any public roadway, for counties with a population of no more than five hundred thousand.

Your Committee received written comments in support of this measure from the Office of the Mayor of the County of Hawaii, the Council Member representing Hawaii County Council District 4, Hawaii Regional Council of Carpenters, and Pacific Resource Partnership.

Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that extending the period in which a county, under certain conditions, may adopt a surcharge on state tax will provide the affected counties with additional time to gather community input and consider whether to adopt an applicable surcharge.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3088, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3088, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, 1 (Riviere). Excused, 2 (Kahele, Shimabukuro).

SCRep. 2929 Ways and Means on S.B. No. 2361

The purpose and intent of this measure is to appropriate funds for collective bargaining cost items, salary adjustments, and other cost items for public employees in collective bargaining unit (14) and their excluded counterparts for fiscal biennium 2017-2019.

Your Committee received written comments in support of this measure from the Department of Budget and Finance; Hawaii Government Employees Association; and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee finds that negotiations for collective bargaining unit (14) agreements are currently in progress. This measure provides a legislative vehicle to appropriate necessary funds if an agreement is reached prior to the end of the 2018 Regular Session.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2361, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2361, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2930 Ways and Means on S.B. No. 2833

The purpose and intent of this measure is to authorize the University of Hawaii to issue \$100,000,000 in revenue bonds to finance the costs of construction or the costs of maintenance and modernization, or both, of any university project.

Your Committee received written comments in support of this measure from the University of Hawaii System and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee finds that the authorization provided by this measure will help the University of Hawaii complete a number of its priority capital facility construction, renovation, modernization, and repair projects.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2833, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Kidani, Riviere, Shimabukuro).

SCRep. 2931 Ways and Means on S.B. No. 2051

The purpose and intent of this measure is to authorize public schools and their support programs to engage in commercial enterprises related to education.

Specifically, this measure:

- (1) Authorizes individual Department of Education schools or any career pathway, academy, or program operated within those schools to engage in commercial enterprises related to the educational purposes of that school, career pathway, academy, or program, including the sale of goods produced by that school, career pathway, academy, or program; and
- (2) Authorizes the Department of Education to adopt rules, pursuant to Chapter 91, Hawaii Revised Statutes, regarding the commercial enterprises.

Your Committee received written comments in support of this measure from the Department of Education; Waianae High School; and OCC Legislative Priorities Committee, Democratic Party of Hawai'i.

Your Committee finds that authorizing schools and their support programs to market and sell education-related products and deposit the revenues into the schools' programs will allow schools to continue to provide students with real-world entrepreneurial experiences.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2051, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Shimabukuro).

SCRep. 2932 Ways and Means on S.B. No. 2373

The purpose and intent of this measure is to require that negotiations over the implementation of management decisions that affect the terms and conditions of employment shall not be precluded from collective bargaining negotiations.

Your Committee received written comments in support of this measure from AFL-CIO; Hawaii State Teachers Association; IMUAlliance; Hawaii Government Employees Association; United Public Workers; and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received written comments in opposition to this measure from the Hawaii Health Systems Corporation.

Your Committee finds that management decisions that affect terms and conditions of employment can have a profound impact on employment and that those decisions should be negotiated as part of collective bargaining.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2373, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2933 Ways and Means on S.B. No. 2660

The purpose and intent of this measure is to provide sufficient medical care and insurance coverage for firefighters.

Specifically, this measure:

- (1) Requires that if a firefighter experiences a controverted workers' compensation claim, the firefighter's medical insurance shall pay for the medical treatment and that if the claim is later determined to be compensable, the employer shall reimburse the firefighter's medical insurance provider for the expenses of the medical treatment; and
- (2) Requires that an employer shall be liable for treatment of certain forms of cancer experienced by a firefighter with five or more years of service; provided that the fee for medical service shall not exceed one hundred thirty-seven percent of the fees prescribed in the Medicare Resource Based Relative Value Scale applicable to Hawaii.

Your Committee received written comments in support of this measure from the County of Maui Department of Fire and Public Safety, Kauai Fire Department, Hawaii Fire Fighters Association, and two individuals.

Your Committee finds that firefighters are routinely exposed to carcinogens and toxicants that increase their risk of later developing cancer. Your Committee believes that legislation presuming that the cancers developed or manifested in the course of employment will help to provide firefighters and their families with proper medical care and financial support.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2660 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2934 Ways and Means on S.B. No. 2672

The purpose and intent of this measure is to codify the sustainable cities and communities goal of the United Nations Sustainable Development Goals.

Specifically, this measure establishes various goals to be achieved by the year 2030, including:

- (1) Ensuring access to adequate, safe, and affordable housing and transport systems;
- (2) Increasing livability and resilience in the built environment;
- (3) Protecting the natural and cultural heritage of Hawaii;
- (4) Reducing disaster-related deaths;
- (5) Reducing adverse per capita environmental impact of cities;

- (6) Providing access to green spaces;
- (7) Supporting links between urban and rural areas; and
- (8) Increasing the number of cities and towns implementing sustainability policies.

Your Committee received written comments in support of this measure from the Department of Agriculture, the Department of Human Services, the Department of Land and Natural Resources, the Office of Planning, the Oahu Economic Development Board, Planned Parenthood Votes Northwest and Hawaii, Hawaii Green Growth, and fifteen individuals.

Your Committee finds that codification of this United Nations Sustainable Development Goal will establish a framework for the State to effectively address key challenges faced by Hawaii.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2672, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2935 Ways and Means on S.B. No. 2675

The purpose and intent of this measure is to codify the United Nations Sustainable Development Goal regarding life below water.

Specifically, this measure establishes various goals to be achieved by the year 2030 or earlier, including:

- (1) Reducing marine pollution;
- (2) Managing and protecting marine and coastal ecosystems;
- (3) Effectively managing thirty percent of nearshore ocean waters;
- (4) By 2020, effectively regulating ocean harvesting;
- (5) By 2020, prohibiting fisheries subsidies that contribute to overcapacity and overfishing;
- (6) Minimizing and addressing the impacts of ocean acidification;
- (7) Conserving at least thirty percent of coast and marine areas;
- (8) Increasing scientific knowledge to improve ocean health; and
- (9) Providing small-scale artisanal fishers access to marine resources and markets.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs; Department of Agriculture; Department of Land and Natural Resources; Office of Planning; The Nature Conservancy; OCC Legislative Priorities Committee, Democratic Committee; Oahu Economic Development Board; Hawaii Green Growth; Planned Parenthood Votes Northwest and Hawaii; and fifteen individuals.

Your Committee finds that codifying the United Nations Sustainable Development Goal in state law will establish a framework for the State to effectively address key challenges. This measure also builds on Hawaii's adoption of goals aligned with the Paris Agreement, enacted by Act 32, Session Laws of Hawaii 2017.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2675, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Kahele, Shimabukuro).

SCRep. 2936 Ways and Means on S.B. No. 2224

The purpose and intent of this measure is to change the allocation of transient accommodations tax revenues.

Specifically, this measure:

- (1) Renames the convention center enterprise special fund as the convention center operations and maintenance special fund;
- (2) Repeals the allocation of transient accommodations tax revenues to the convention center operations and maintenance special fund and amends the authorized uses of the fund;
- (3) Defines the term "administrative expenses" for purposes of the tourism special fund; and
- (4) Redistributes the allocation of transient accommodations tax revenues from the Hawaii Tourism Authority to other state agencies for certain purposes.

Your Committee received written comments on this measure from the Office of the Auditor; Department of Business, Economic Development, and Tourism; Department of Land and Natural Resources; University of Hawaii System; and Tax Foundation of Hawaii.

Your Committee finds that directly allocating revenues from the transient accommodations tax to specific agencies, as proposed by this measure, will better ensure that the specific areas affected by the visitor industry receive resources needed to remedy any concerns that arise from the visitor industry.

Your Committee has amended this measure by:

- (1) Adding a cap of \$6,000,000 to the amount of moneys that may be deposited into the convention center operations and maintenance special fund, with excess moneys being deposited into the general fund;
- (2) Providing that, of the moneys in the tourism special fund:
 - (A) No more than \$2,500,000 shall be used for research expenses; and
 - (B) No more than \$5,800,000 shall be used for sports marketing purposes;
- (3) Redistributing the allocation of transient accommodations tax revenues as follows:
 - (A) Allocating \$60,300,000 to the tourism special fund; provided that \$1,000,000 shall be allocated for the operation of a Hawaiian center and the Museum of Hawaiian Music and Dance at the Hawaii Convention Center;
 - (B) Allocating \$16,500,000 to the Department of Business, Economic Development, and Tourism to be expended for economic development initiatives and programs;
 - (C) Allocating \$3,500,000 to the Department of Education to be used for a grant program for initiatives and programs related to hospitality and tourism industry careers; provided that the Department of Education shall report on its expenditures to the Legislature;
 - (D) Allocating \$7,891,000 to the University of Hawaii System for academic programs relating to hospitality and tourism industry career pathways;
 - (E) Allocating \$3,000,000 to University of Hawaii athletics for student athlete travel;
 - (F) Allocating \$9,608,554 to the Department of Land and Natural Resources to be used to support efforts to manage, improve, and protect the State's environment and address the impact of tourism on the State's natural resources;
 - (G) Allocating \$8,000,000 to the counties to be expended to ensure the safety of visitors to county parks and beaches; and
 - (H) Allocating \$8,000,000 to be expended on grants, pursuant to Chapter 42F, Hawaii Revised Statutes, including but not limited to Hawaiian cultural initiatives, community programs, product development, and tourism related grants, as determined by the legislature; and
- (4) Making technical nonsubstantive edits for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2224, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2224, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Kidani, Riviere, Shimabukuro).

SCRep. 2937 Ways and Means on S.B. No. 3097

The purpose and intent of this measure is to appropriate moneys to the University of Hawaii at Hilo to conduct research related to the control and prevention of rat lungworm disease.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; the University of Hawaii at Hilo, Daniel K. Inouye College of Pharmacy; the Office of the Mayor of the County of Hawaii; and five private individuals.

Your Committee finds that the Hawaii Interagency Biosecurity Plan identifies rat lungworm disease as a serious threat to human health and agriculture in Hawaii. Your Committee further finds that although the University of Hawaii at Hilo, Daniel K. Inouye College of Pharmacy has been conducting valuable research related to rat lungworm disease over the past six years, providing an extensive amount of information regarding the disease, further research is necessary to adequately protect Hawaii's residents, visitors, and agriculture.

Your Committee notes that the University of Hawaii's estimated cost for the research related to the control and prevention of rat lungworm disease is \$500,000.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3097, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3097, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2938 (Joint) Public Safety, Intergovernmental, and Military Affairs and Economic Development, Tourism, and Technology on S.C.R. No. 26

The purpose and intent of this measure is to request the Federal Communications Commission to establish regulations to require all cellular phones to receive emergency alerts without an option to opt out of receiving emergency alert messages and without any added costs to service plans.

Your Committees received testimony in support of this measure from the Hawaii Emergency Management Agency and one individual.

Your Committees find that it is critical that a reliable and timely communication system is in place for disseminating information to the public about matters of national and local concern, including natural disasters, severe weather, and other local civic emergencies. The events of January 13, 2018, where the Hawaii Emergency Management Agency erroneously dispatched an incoming ballistic missile warning alert to citizens and visitors across the State, revealed a critical flaw in the emergency warning system. Although the warning sent that day was a mistake, some citizens and visitors received neither the warning nor the subsequent false alarm message on their cellular phones. This occurred because cellular phone owners are able to opt out of receiving certain wireless emergency alerts. Your Committees find that allowing cellular phone owners the capability to opt out of these critical warnings creates a dangerous and unnecessary risk for the public. Therefore, your Committees request that the Federal Communications Commission establish regulations to require all cellular phones to receive wireless emergency alerts without an option to opt out of receiving such emergency alert messages and without any added costs to service plans.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Economic Development, Tourism, and Technology that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 26 and recommend that it be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Ihara, Thielen).

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Thielen).

SCRep. 2939 Water and Land on S.C.R. No. 2

The purpose and intent of this measure is to provide legislative authorization for the issuance of a term, non-exclusive easement covering a portion of state submerged lands at Waianae, Oahu by the Board of Land and Natural Resources for the existing seawall, steps, and landscaped area and for use, repair, and maintenance of the existing improvements constructed thereon.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and six individuals. Your Committee received testimony in opposition to this measure from Ho'omanapono Political Action Committee.

Your Committee finds that an existing seawall, steps, and landscaped area identified as Tax Map Key: (1) 8-7-023: seaward of 044, Waianae, Oahu, are placed on state submerged lands. In December 2016, the owner of the abutting property worked with the Department of Land and Natural Resources to resolve the encroachment, and the Department approved a grant of a fifty-five-year term, non-exclusive easement to run with the land and to inure to the benefit of the abutting property to resolve the encroachment. The term, non-exclusive easement will cover about 391 square feet, and the current owner is expected to pay the State the fair market value of the easement as consideration for the use of public lands. The amount of consideration will be determined by an independent appraiser. Since the Board of Land and Natural Resources has met all statutory prerequisites, this measure authorizes the amendment of a term, non-exclusive easement in accordance with section 171-53, Hawaii Revised Statutes.

Your Committee has amended this measure by inserting language stating that during the Department of Land and Natural Resources' review process, the Department of Planning and Permitting of the City and County of Honolulu requested that the current owner of the abutting property remove wooden and chain link fences from atop the seawall, which the owner has reported have been removed.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 2, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2940 Judiciary on S.C.R. No. 24

The purpose and intent of this measure is to recognize March 19 as Hawaii Celebrating Women in Public Office Day.

Your Committee received testimony in support of this measure from the Hawaii State Democratic Women's Caucus; United Public Workers, AFSCME, Local 646, AFL-CIO; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Healthy Mothers Healthy Babies; and five individuals.

Your Committee finds that women in public office make vital contributions at the local, state, and national levels. Although women continue to be underrepresented in public office positions, recent success of female candidates has sparked a surge of interest and enthusiasm by women in seeking elected office. Recognizing March 19 as Hawaii Celebrating Women in Public Office Day will celebrate the contributions made by women in public office and encourage young people to serve their communities in the future.

Your Committee has amended this measure by making stylistic, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 24, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 24, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2941 Education on H.B. No. 1941

The purpose and intent of this measure is to establish and appropriate funds for one full-time equivalent (1.0 FTE) world languages institutional support position within the Department of Education.

Your Committee received testimony in support of this measure from the Department of Education, Office of Language Access, Hawaii State Teachers Association, Native Hawaiian Education Council, HawaiiKidsCAN, Tinalak Filipino Education Council, Hawai'i Friends of Civil Rights, iLAING Program, Hawai'i Association of Language Teachers, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and numerous individuals.

Your Committee finds that it is important to create a more culturally-responsive policy climate that embraces the opportunities of Hawaii's diverse ethnic and heterogeneous linguistic population. Recognizing the important role of multilingualism in providing a meaningful and equitable education for student achievement, the Board of Education approved policies that promote high proficiency in English or Hawaiian and an additional language. These policies, based on long-standing research showing the effectiveness of language education for student achievement, support the teaching and learning of languages to fuel economic growth and support international business, military and diplomatic relations, workforce development, and global competence. This measure will support the respective goals of the Board and Department.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1941, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

SCRep. 2942 Education on H.B. No. 2607

The purpose and intent of this measure is to:

- (1) Require and appropriate funds for the Department of Education to develop and implement a statewide computer science curricula plan for public school students in kindergarten through twelfth grade and ensure that each public high school offers at least one computer science course each school year; and
- (2) Authorize the Department of Education to contract for computer science teacher development programs.

Your Committee received testimony in support of this measure from the Department of Education, HawaiiKidsCAN, Microsoft Corporation, Code.org, Women in Technology (Maui Economic Development Board), Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and two individuals.

Your Committee finds that computing-based occupations make up more than two-thirds of all projected new jobs in the science, technology, engineering, and mathematics fields, commonly known as STEM fields. This means that college graduates with computer science degrees are in high demand among employers across the nation.

Your Committee further finds that there is a disparity between the demand for computer science education and its availability as only forty percent of schools offer such courses. The integration and prioritization of computer science curricula in public schools may prepare students for fields related to computer science that have the potential to drive job growth and innovation throughout the economy.

Your Committee has amended this measure by:

- (1) Specifying that any unexpended and unencumbered balance of the appropriation as of the close of business on June 30, 2019, instead of on June 30, 2021, shall lapse; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2607, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2607, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

SCRep. 2943 Education on H.B. No. 2354

The purpose and intent of this measure is to change the amount of the authorized income tax check-off to the libraries special fund that may be designated from an individual taxpayer's income tax refund from \$2 to an unspecified amount and from \$4 to an unspecified amount for taxpayers filing a joint return.

Your Committee received testimony in support of this measure from the Department of Taxation, Hawaii State Public Library System, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that demand for library books and materials by Hawaii State Public Library System patrons, including electronic resources, are increasing every year. Since the initial adoption of the library special fund income tax check-off in 2003, the collection of the Hawaii State Public Library System has transitioned from a paper-based collection to one that includes library materials in a variety of different and new formats to keep up with new technology and in response to the requests of library patrons statewide. This measure provides an opportunity for the public to increase their support to the Hawaii State Public Library System by making a contribution toward the purchase of additional library materials.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2354, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2354, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

SCRep. 2944 Economic Development, Tourism, and Technology on H.B. No. 2556

The purpose and intent of this measure is to support the successes of the science and technology industries in Hawaii by:

- (1) Establishing the research and development program to help Hawaii-based small businesses collaborate with commercial partners;
- (2) Establishing the research and development special fund; and
- (3) Appropriating funds for the research and development program.

Your Committee received testimony in support of this measure from the Hawaii Technology Development Corporation; Oceanit Laboratories, Inc.; Chamber of Commerce Hawaii; Makai Ocean Engineering, Inc.; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Navatek; and five individuals.

Your Committee finds the Hawaii Technology Development Corporation has a vision to create 80,000 new innovation jobs in Hawaii, all earning \$80,000 or more, by 2030. Your Committee believes that this measure will support innovation in Hawaii and encourage innovative ideas from the local community. Innovation achieved through research and development has helped to expand economic growth in Hawaii. Your Committee further finds that supporting the research and development sector in Hawaii will not only further economic growth, but will bring in a wide range of highly skilled, high-paying jobs targeted to the younger generation, in hopes of keeping them in Hawaii and expanding the economy even further.

Your Committee has amended this measure by:

- (1) Replacing the defined term "small business" with "Hawaii-based small business" and amending the definition to add requirements that a small business must meet in order to be considered a "Hawaii-based small business";
- (2) Adding a definition for "resident" to have the same meaning as in section 235-1, Hawaii Revised Statutes; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2556, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2556, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Galuteria).

SCRep. 2945 Agriculture and Environment on H.B. No. 2105

The purpose and intent of this measure is to appropriate funds to the Department of Agriculture for the establishment and administration of the agriculture grant program to support local food production in the State.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawai'i Farm Bureau; Ulupono Initiative; Hawaii Crop Improvement Association; Land Use Research Foundation; Hawaii Farmers Union United Kona Chapter; Maui Farmers Union United; Hawaii Tropical Fruit Growers; Maui County Farm Bureau; Kulahaven Farms LLC; Hawaii Farmers Union United; Hawaii Cattlemen's Council, Inc.; Ka Ohana O Na Pua; O'ahu County Legislative Priorities Committee of the Democratic Party of Hawai'i; and one hundred one individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that the State's goal of doubling local food production by 2020 necessitates that the Department of Agriculture develop and support loss mitigation and efficiency improvement in the State's agriculture industry. Your Committee further finds that doubling local food production is vital for the State's future well-being and that it is essential to provide the Department of Agriculture with sufficient resources to achieve this goal.

Your Committee has amended this measure by:

- (1) Designating that the appropriation is for the Department of Agriculture to support local food production projects, rather than for the establishment and administration of the agriculture grant program;
- (2) Inserting an appropriation amount of \$1,500,000;
- (3) Changing the effective date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2105, H.D. 1, as amended herein, and recommends that it

pass Second Reading in the form attached hereto as H.B. No. 2105, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Rhoads).

SCRep. 2946 Agriculture and Environment on H.B. No. 1969

The purpose and intent of this measure is to require the Department of Agriculture, in coordination with the Office of Planning, to prepare and periodically update a functional plan for seafood sustainability that expands the State's priority on food by including wild seafood as a viable food source.

Your Committee received testimony in support of this measure from the Hawaii Fishermen's Alliance for Conservation and Tradition, Inc.; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and three individuals. Your Committee received comments on this measure from the Department of Agriculture, Office of Planning, and Department of Land and Natural Resources.

Your Committee finds that increased local food production is a top priority of the State to achieve the state goal of sustainability. As an island state, wild seafood is a staple of the diets of residents and visitors and therefore should be considered in food sustainability plans. Your Committee supports all efforts that encourage increased local food production in the State.

Your Committee has amended this measure by:

- (1) Replacing references to a "functional plan for seafood sustainability" with a "seafood management study";
- (2) Directing the Department of Agriculture to coordinate with the Department of Land and Natural Resources, in addition to the Office of Planning;
- (3) Inserting a blank appropriation amount for fiscal year 2018-2019 for the Department of Agriculture, in coordination with the Office of Planning and Department of Land and Natural Resources, to prepare and periodically update the seafood management study;
- (4) Inserting an effective date of July 1, 2018; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1969, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1969, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Rhoads).

SCRep. 2947 Agriculture and Environment on H.B. No. 2046

The purpose and intent of this measure is to appropriate funds for outreach and education efforts in West Hawaii County regarding the detection and treatment of little fire ants.

Your Committee received testimony in support of this measure from the Department of Agriculture; Department of Land and Natural Resources; Office of the Mayor of the County of Hawaii; one member of the Hawaii County Council; Hawai'i Farm Bureau; Coordinating Group on Alien Pest Species; Big Island Invasive Species Committee; Hawaii Cattlemen's Council, Inc.; Ka Ohana O Na Pua; Mauna Mama Kona Coffee; Little Fire Ant Hui; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; The Vanillerie; and thirty-one individuals.

Your Committee finds that the little fire ant, *Wasmannia auropunctata*, threatens native biodiversity, alters tropical ecosystems, impairs human health, impedes tourism, diminishes agricultural productivity, mars horticulture sales, and accordingly ranks among the world's worst invasive species. Within the State, the County of Hawaii has been affected most by the little fire ant. Your Committee therefore supports all efforts to mitigate and eradicate the little fire ant throughout the County of Hawaii.

Your Committee has amended this measure by:

- (1) Reinserting an appropriation amount of \$50,000 for outreach and education efforts in West Hawaii County regarding detection and treatment of little fire ants;
- (2) Inserting an appropriation of \$750,000 to the Hawaii Ant Lab of the Pacific Cooperative Studies Unit of the University of Hawaii at Hilo to support mitigation of the little fire ant; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2046, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2046, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Rhoads).

SCRep. 2948 Agriculture and Environment on H.B. No. 1884

The purpose and intent of this measure is to clarify that:

- (1) "Subsistence farming" is included as a protected activity under the Hawaii Right to Farm Act; and
- (2) The cultivation of crops and activities related to game, fish, and livestock on agricultural lands may be for economic or personal use.

Your Committee received testimony in support of this measure from Ho‘omanapono Political Action Committee and O‘ahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i. Your Committee received testimony in opposition to this measure from the Office of Planning, Land Use Commission, Office of the Mayor of the County of Hawaii, Hawai‘i Farm Bureau, and Land Use Research Foundation. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that subsistence farming is relied upon by many residents and should be protected. However, your Committee finds that equating subsistence farming with commercial agriculture under the Hawaii Right to Farm Act may lead to numerous zoning and land-use disagreements and disruptions to county administration, which may ultimately cause more harm than good for the agriculture community, including subsistence farmers. Your Committee believes that assuring the right to subsistence farming under the Hawaii State Planning Act preserves the spirit of this measure while avoiding potentially detrimental unintended consequences.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting language that amends the Hawaii State Planning Act to include assurance of the right of Hawaii residents to engage in subsistence farming for direct personal or family consumption under the State’s objectives and policies for the economy—agriculture;
- (2) Making it effective upon its approval; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1884, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1884, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2949 Agriculture and Environment on H.B. No. 1934

The purpose and intent of this measure is to prohibit the Department of Health from approving the construction of sewage wastewater injection wells, with limited exceptions.

Your Committee received testimony in support of this measure from the Department of Health, Office of Hawaiian Affairs, O‘ahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i, and one individual. Your Committee received testimony in opposition to this measure from the City and County of Honolulu Department of Environmental Services and one individual.

Your Committee finds that according to the Environmental Protection Agency’s 2016 Underground Injection Well Inventory, Hawaii has over 6,600 injection wells, which place fluid underground into porous geologic formations as a means of storing carbon dioxide and disposing of waste, among other uses. Your Committee further finds that sewage wastewater injection wells can be hazardous to the environment and pose a risk to the health and safety of the public; therefore, your Committee believes that construction of sewage wastewater injection wells should be prohibited in the State, to the extent that such a ban is practicable.

Your Committee has amended this measure by:

- (1) Allowing an applicant to construct a sewage wastewater injection well if the applicant demonstrates that the applicant will endure undue hardship if the well is not constructed;
- (2) Directing the Department of Health to adopt administrative rules pursuant to Chapter 91, Hawaii Revised Statutes;
- (3) Changing the effective date to upon its approval; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1934, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1934, H.D. 1, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2950 Agriculture and Environment on H.B. No. 2306

The purpose and intent of this measure is to provide that the amount appropriated in Act 183, Session Laws of Hawaii 2017, shall be deposited into the food safety certification costs grant program special fund and that the same amount shall be appropriated out of the special fund for fiscal year 2018-2019.

Your Committee received testimony in support of this measure from the Department of Agriculture, Ulupono Initiative, Hawai'i Farm Bureau, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that Act 183, Session Laws of Hawaii 2017, created a food safety certification costs grant program and the food safety certification costs grant program special fund, consisting of legislative appropriations. Act 183 appropriated \$500,000 for fiscal year 2017-2018, but it did not specify that these monies were to be deposited into the special fund, nor did it appropriate the monies out of the special fund. Your Committee finds that this measure corrects that oversight by appropriating \$500,000 into and out of the food safety certification costs grant program special fund for fiscal year 2018-2019.

Your Committee has amended this measure by:

- (1) Reinserting an appropriation amount of \$500,000 out of the food safety certification costs grant program special fund;
- (2) Changing the effective date to June 29, 2018; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2306, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2306, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2951 Agriculture and Environment on H.B. No. 2426

The purpose and intent of this measure is to authorize the Director of Finance to issue general obligation bonds and appropriate funds for the acquisition of certain farm lands in West Kauai by the Agribusiness Development Corporation.

Your Committee received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Hawai'i Farm Bureau; Hawaii Cattlemen's Council, Inc.; and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the Agribusiness Development Corporation is tasked with the priority of transitioning Hawaii's agriculture industry from an industry dominated by sugar and pineapple to one based on a greater diversity of crops. Due to the rapid downsizing and closure of agricultural companies in the State, there are large tracts of land currently available for agricultural economic growth. This measure provides a means by which the Agribusiness Development Corporation can acquire certain large tracts of former agricultural land located in Hawaii for agricultural development.

Your Committee has amended this measure by:

- (1) Reinserting an authorized general obligation bond and appropriation amount of \$6,000,000; and
- (2) Changing the effective date to July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2426, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2426, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2952 Agriculture and Environment on H.B. No. 1971

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Kunoa Cattle Company, LLC, to fund the construction of a multi-species livestock farm, expansion of the slaughter and processing infrastructure, development of distribution assets and agritourism services, and expansion of renewable energy assets.

Your Committee received testimony in support of this measure from the Department of Agriculture; Kunoa Cattle Company, LLC; Ulupono Initiative; Hawai'i Farm Bureau; Hawaii Cattlemen's Council, Inc.; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and one individual. Your Committee received testimony in opposition to this measure from Keiko Conservation, Animal Rights Hawai'i, and three individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that Kunoa Cattle Company, LLC, seeks to construct a multi-species livestock farm, expand its slaughter and processing infrastructure, develop its distribution assets and agritourism services, and expand its renewable energy assets, all of which will support local ranchers and farmers who raise livestock and encourage food sustainability.

Your Committee has amended this measure by indicating that Kunoa Cattle Company, LLC, is a Delaware corporation.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1971, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1971, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2953 Agriculture and Environment on H.B. No. 1976

The purpose and intent of this measure is to provide additional funding for improvements to the Waiahole irrigation system.

Your Committee received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Land Use Research Foundation of Hawaii; Local Food Coalition; Hawai'i Farm Bureau; Hawaii Crop Improvement Association; Maui County Farm Bureau; Larry Jefts Farms, LLC; Monsanto; Hawaii Cattlemen's Council, Inc.; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and two individuals. Your Committee received testimony in opposition to the measure from one individual.

Your Committee finds that a reliable irrigation system is the lifeline of Hawaii's agricultural industry. To ensure that Hawaii's crops receive a steady and dependable supply of water, sufficient funding is needed to maintain and improve Hawaii's irrigation systems. Your Committee further finds that the Waiahole irrigation system was constructed in 1915 to irrigate thousands of acres of sugarcane. The system collects groundwater from the windward side of Oahu and transports the water via tunnels to the leeward side of Oahu, where it is conveyed through ditches and siphons by gravity flow to supply vital irrigation water to lands between Waipio and Kunia; however, the system is currently in need of efficiency improvements.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1976, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2954 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 21

The purpose and intent of this measure is to:

- (1) Engage, endorse, accept, and adopt the United Nations seventeen sustainable development goals as components of a framework for addressing and assessing Hawaii's efforts toward social justice and sustainability; and
- (2) Urge the county councils to endorse and use the United Nations seventeen sustainable development goals as measurements for each county's efforts regarding people, peace, and the planet.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Hawaii Institute for Human Rights, and one individual.

Your Committee finds that in September 2015, the United Nations General Assembly adopted the historic 2030 Development Agenda, *Transforming our world: the 2030 Agenda for Sustainable Development*, a comprehensive, creative, and courageous plan of action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity, that includes seventeen sustainable development goals and one hundred sixty-nine associated targets. The seventeen sustainable development goals are a set of universal goals produced to meet the most urgent environmental, political, and economic challenges of the world and build upon and replace the millennium development goals that started a global effort in 2000 to tackle the indignity of poverty.

Your Committee further finds that a priority of the Senate for the Regular Session of 2018 is to adopt the United Nations' sustainable development goals at the state level and urges the county councils to similarly endorse and use the sustainable development goals at the county level.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 21 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2955 Public Safety, Intergovernmental, and Military Affairs on S.R. No. 11

The purpose and intent of this measure is to:

- (1) Engage, endorse, accept, and adopt the United Nations seventeen sustainable development goals as components of a framework for addressing and assessing Hawaii's efforts toward social justice and sustainability; and
- (2) Urge the county councils to endorse and use the United Nations seventeen sustainable development goals as measurements for each county's efforts regarding people, peace, and the planet.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Hawaii Institute for Human Rights, and one individual.

Your Committee finds that in September 2015, the United Nations General Assembly adopted the historic 2030 Development Agenda, *Transforming our world: the 2030 Agenda for Sustainable Development*, a comprehensive, creative, and courageous plan of action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity, that includes seventeen sustainable development goals and one hundred sixty-nine associated targets. The seventeen sustainable development goals are a set of universal goals produced to meet the most urgent environmental, political, and economic challenges of the world and build upon and replace the millennium development goals that started a global effort in 2000 to tackle the indignity of poverty.

Your Committee further finds that a priority of the Senate for the Regular Session of 2018 is to adopt the United Nations' sustainable development goals at the state level and urges the county councils to similarly endorse and use the sustainable development goals at the county level.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 11 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Ihara).

SCRep. 2956 Economic Development, Tourism, and Technology on H.B. No. 2558

The purpose and intent of this measure is to appropriate funds to the Department of Business, Economic Development, and Tourism for the Creative Lab Hawaii program to:

- (1) Expand its programs and services to three neighbor islands;
- (2) Develop high school programs in partnership with the Department of Education; and
- (3) Establish an unspecified number of full-time equivalent Creative Lab Hawaii Project Coordinator positions.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Technology Development Corporation; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Creative Lab Hawaii; Marc Delorme Productions, LLC; Palm Records, Inc.; and fifteen individuals.

Your Committee finds that Hawaii's creative arts economy, which includes film, performing and visual arts, music, fashion, literary arts and more, contributes to the diversification of Hawaii's economy to include innovation- and knowledge-based industries. Your Committee further finds that the Creative Lab Hawaii, a state collaborative creative industry development accelerator program, works to deliver strategic mentoring for the creative arts, which has resulted in seven projects in active development for television, motion pictures, and web series, and licensed eleven songs to various television series, studios, and commercials nationally.

Your Committee finds that programs such as Creative Lab Hawaii will help to bring in more money to the State. The revenues from the existing projects of Creative Lab Hawaii are anticipated to generate \$4,000,000 over the lifetime of the content and songs. Creative Lab Hawaii has produced forty-five programs that have reached one thousand five hundred entrepreneurs that are focused on investing in the media, music, and fashion design sectors. Your Committee recognizes the potential of these sectors to push Hawaii forward in the field of creative arts.

Your Committee has amended this measure by:

- (1) Updating language in the preamble to accurately reflect the accomplishments of Creative Lab Hawaii; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2558, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2558, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Galuteria).

SCRep. 2957 Economic Development, Tourism, and Technology on H.B. No. 2084

The purpose and intent of this measure is to:

- (1) Require the Hawaii Technology Development Corporation to report to the Legislature, no later than twenty days prior to the convening of each session, on the impact of the program on providing outreach and mentorship assistance to innovative small businesses on neighbor islands;
- (2) Appropriate funds for the continuance of the Neighbor Island Innovation Initiative (NI3) Program; and
- (3) Authorize and appropriate funds for activities related to the development of a Hawaii cyber ecosystem to protect Hawaii from cyber threats and other related aspects of cybersecurity.

Your Committee received testimony in support of this measure from the Hawaii Technology Development Corporation; Department of Research and Development, County of Hawaii; TeleVoice 2000; Carbon Buddy, LLC; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; DewPoint System, LLC; USD Mint, Inc.; Kona-Kohala Chamber of Commerce; and two individuals.

Your Committee finds the Hawaii Technology Development Corporation created the NI3 program in 2016. The NI3 program provides assistance to small businesses that are engaged in technology, manufacturing, or innovation based products or services on neighbor islands. Your Committee further finds that the NI3 program is beneficial for neighbor islands because it removes time, distance, and money as barriers for entrepreneurs, which are often the largest obstacles for businesses based in Hawaii. The NI3 program allows businesses from neighbor islands to utilize the resources and expertise of the Hawaii Technology Development Corporation at their convenience and without extra cost.

Your Committee received testimony stating that due to budget constraints, the Hawaii Technology Development Corporation only began the NI3 program with one mentor on Kauai and one mentor on the island of Hawaii. Your Committee believes that this

opportunity should be available for all businesses throughout the State. Your Committee notes that currently, the Hawaii Technology Development Corporation does not have proper funding to maintain the NI3 program beyond this year and will have to end this beneficial program unless sufficient funding is provided. Your Committee believes that this program will help small businesses flourish in a highly competitive market, ultimately contributing to the economy of Hawaii.

Your Committee has amended this measure by:

- (1) Deleting part II which would have authorized and appropriated funds for activities related to the development of a Hawaii cyber ecosystem to protect Hawaii from cyber threats and other related aspects of cybersecurity; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2084, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2084, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Galuteria).

SCRep. 2958 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 1653

The purpose and intent of this measure is to abolish the revolving funds for correctional facility stores account of the Department of Public Safety and transfer the unencumbered balance to the administrator/inmate activity account trust account.

Your Committee received testimony in support of this measure from the Department of Public Safety. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the revolving funds for correctional facility stores account are no longer needed. As noted in testimony by the Department of Public Safety, the store operations at the Halawa Correctional Facility, Waiawa Correctional Facility, and Oahu Community Correctional Facility are all now maintained by the Department of Public Safety. Therefore, your Committee finds that the revolving funds for correctional facility stores account should be abolished and any remaining unencumbered balances should be transferred to the administrator/inmate activity account trust account.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1653, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2959 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 1944

The purpose and intent of this measure is to:

- (1) Establish a Filipino-American Veterans of World War II Burial Assistance Program within the Office of Veterans Services to provide burial grants to cover the funeral and burial costs of Filipino-American veterans of World War II, including the cost of returning these veterans' remains to the Philippines for burial; and
- (2) Appropriate funds to cover the operating expenses of the Filipino-American Veterans of World War II Burial Assistance Program and for the costs of providing the burial grants.

Your Committee received testimony in support of this measure from the Office of Veterans Services, Hawai'i Civil Rights Commission, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that honoring the final wishes of World War II Filipino-American veterans is necessary for demonstrating the proper respect for the sacrifices that those veterans made in protecting the nation. Many World War II Filipino-American veterans have been separated from their families, who have remained in the Philippines, for a long time, and your Committee finds it regrettable that these veterans have not been able to reunite with their families. Assisting World War II Filipino-American veterans still living in the State with any prospective funeral and burial costs, including the costs of returning their remains to the Philippines if they so desire, would demonstrate the State's appreciation and respect for their service.

However, your Committee notes the concern raised in testimony from the Department of Budget and Finance relating to the requirements for the creation of special funds under section 37-52.3, Hawaii Revised Statutes. The Department's testimony indicates that the special fund created through this measure may not meet necessary statutory requirements. Therefore, your Committee suggests that if your Committee on Ways and Means decides to hear this measure, that your Committee on Ways and Means investigate this issue further.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1944, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2960 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2181

The purpose and intent of this measure is to establish December 7 of each year as Pearl Harbor Remembrance Day in Hawai'i.

Your Committee received testimony in support of this measure from the Office of Veterans Services, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and one individual.

Your Committee finds that the attack on Pearl Harbor, Hawaii, on December 7, 1941, is one of the most significant events in the State's history. As such, your Committee finds that it is important to recognize and honor the 2,403 service members and civilians who were killed during the attack. Therefore, your Committee finds that December 7 of each year should be established as Pearl Harbor Remembrance Day in Hawaii and that on that day citizens should contemplate the sacrifices of those lost during the attack, flags should fly at half-mast, and students should engage in appropriately designed activities and lessons.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2181, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2961 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2393

The purpose and intent of this measure is to make an emergency appropriation to continue the temporary housing of inmates at a non-state facility for an additional six months while repairs and improvements are being made to the Halawa Correctional Facility.

Your Committee received testimony in support of this measure from the Department of Public Safety, Ho'omanapono Political Action Committee, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii. Your Committee received testimony in opposition to this measure from the Community Alliance on Prisons.

Your Committee finds that ensuring the proper functioning of the State's correctional facilities is essential for maintaining public safety. The Halawa Correctional Facility is currently undergoing needed repairs and improvements to security electronics and hardware. In 2017, the Legislature allocated funds to the Department of Public Safety for temporary non-state housing for two hundred forty-eight inmates while the upgrades were being completed. The improvement project was scheduled to be completed in December 2017, but due to complications related to the specialty subcontractor's work and the time needed to hire a new vendor, the anticipated completion date for the project has been pushed back to October 2018. Consequently, funds will be needed to continue the temporary housing of the two hundred forty-eight inmates at a non-state facility for another six months to enable the project to move forward to completion. Accordingly, this measure makes an emergency appropriation to provide funds for the Department of Public Safety to pay for the necessary, temporary housing of the Halawa Correctional Facility inmates.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2393, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2962 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2631

The purpose and intent of this measure is to enhance the Electronic Prescription Accountability System, also known as the Hawaii Prescription Drug Monitoring Program or PDMP, to inform practitioners of the percentile ranking of their opiate prescription practices in relation to their peers by requiring the Narcotics Enforcement Division of the Department of Public Safety to:

- (1) Annually determine, through the PDMP, the mean and median quantity and volume of prescriptions for opiates that are Schedule II and III controlled substances within categories of practitioners of a similar specialty or practice type;
- (2) Work in conjunction with the respective licensure boards to annually determine each practitioner's Schedule II and III opiate prescribing quantity and volume and standing in relation to others within the same specialty or practice type and notify practitioners who exceed the relevant mean and median; and
- (3) Coordinate with the respective licensure boards to make resources available to practitioners regarding ways to change prescribing practices and incorporate alternative pain management options into practices.

Your Committee received comments on this measure from the Department of Public Safety.

Your Committee finds that opioid addiction and abuse are a growing problem that threatens the health and well-being of the public. Opioid addiction and abuse can have serious consequences, including death, and should therefore be confronted employing every available tool at the State's disposal. Your Committee finds that one way to combat the growing opioid crisis is to increase practitioner's awareness of their rates of opioid prescribing within the PDMP. Informing practitioners of their opioid prescription habits and how those habits compare to those of their peers will provide practitioners with insights into their own practices and help practitioners ensure that they are making the best possible choices for patients.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2021; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2631, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2631, H.D. 1, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2963 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2697

The purpose and intent of this measure is to require and appropriate funds for the Office of Veterans Services to organize, coordinate, and conduct a biennial State of Hawaii Veterans Summit.

Your Committee received testimony in support of this measure from the Office of Veterans Services and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that it is essential to properly honor and care for the State's many veterans. Your Committee further finds that to ensure that the State's veterans are being treated appropriately, it is necessary to periodically bring together those involved with providing services, assistance, and benefits to veterans to discuss and collaborate on issues affecting veterans and their families and dependents. Accordingly, your Committee finds that the Office of Veterans Services should organize, coordinate, and conduct a biennial State of Hawaii Veterans Summit to bring together any department or division of the federal or state governments, veterans' organizations, or any other agency in the community whose function it is, by law or otherwise, to provide services, assistance, or benefits to veterans and their families and dependents to discuss all pertinent issues and information regarding assistance for veterans and their families and dependents.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2697, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2964 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2693

The purpose and intent of this measure is to:

- (1) Prohibit the denial of emergency shelter by places of public accommodation when an emergency alert advises the public to immediately seek shelter;
- (2) Establish that places of public accommodation and their agents and employees are protected from liability when providing emergency shelter when an emergency alert advises the public to immediately seek shelter; and
- (3) Clarify that for certain facilities providing emergency access to land, shelter, and subsistence during a disaster, certain compensation or consideration received by those facilities, or paid for commodities while the facilities provide emergency access to land, shelter, and subsistence during a disaster, shall not disqualify those properties from civil liability protections.

Your Committee received testimony in support of this measure from the Hawaii Emergency Management Agency, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and Retail Merchants of Hawaii. Your Committee received comments on this measure from the Hawaii Association for Justice and the Maui Chamber of Commerce.

Your Committee finds that ensuring that citizens have access to adequate land, shelter, and subsistence during a disaster is essential to public safety and welfare. This measure prohibits places of public accommodation from denying shelter to those who are in or in the immediate vicinity of a public accommodation that may provide shelter and amends existing law to adequately provide liability protections for places of public accommodation and their agents and employees when providing emergency shelter.

Moreover, your Committee finds that given the finite amount of available public resources, there is also a need to encourage owners of private property to assist in times of emergencies or disasters by providing emergency shelter to the public. However, in many cases, owners of private property are reluctant to make their property or facilities available to the general public for use as emergency shelter due to concerns about liability. Under existing law, it is unclear whether a property owner who provides shelter during a disaster is exempt from civil liability if the persons being sheltered are paying guests, tenants, or buyers of commodities sold by the property owner. Accordingly, this measure clarifies this ambiguity to ensure that the receipt of certain types of compensation received by an owner of private property who in good faith provides access to the property to members of the public during a disaster or emergency does not disqualify the property owner from civil liability for resulting injuries or damage.

Your Committee has amended this measure by:

- (1) Deleting the exceptions to the definition of remuneration; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2693, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2693, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2965 Agriculture and Environment on H.B. No. 2538

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and appropriate funds for the planning, designing, and constructing of a livestock feed mill.

Your Committee received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Office of the Mayor of the County of Hawai'i; Ulupono Initiative; Hawai'i Farm Bureau; O'ahu County Committee on

Legislative Priorities of the Democratic Party of Hawai'i; and Hawaii Cattlemen's Council, Inc. Your Committee received testimony in opposition to this measure from Animal Rights Hawai'i, Keiko Conservation, two individuals.

Your Committee finds that livestock feed costs for feed shipped to Hawaii often exceed sixty percent of overall livestock production costs in Hawaii. The Agribusiness Development Corporation seeks to broaden its waste-reduction and recycling projects by partnering with a viable and qualified entity to establish a livestock feed mill operation using waste materials, such as unusable macadamia nut fruit and shells, and converting the unusable parts and byproducts into aquaculture and livestock feed. Your Committee further finds that the Agribusiness Development Corporation will assist with the development of the plans and design of the operation, and will purchase the equipment to convert and process the waste materials, while the project partners will be responsible for providing adequate warehouse space to house the equipment and the labor for the manufacture and sale of the resulting product.

Your Committee has amended this measure by:

- (1) Inserting an authorized general obligation bond and appropriation amount of \$4,000,000; and
- (2) Changing the effective date to July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2538, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2538, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2966 Agriculture and Environment on H.B. No. 2462

The purpose and intent of this measure is to establish a statewide general excise tax exemption for the gross proceeds arising from the sale of farm equipment and machinery to certain producers of agricultural products.

Your Committee received testimony in support of this measure from the Department of Agriculture; Larry Jefts Farms, LLC; Land Use Research Foundation; Hawaii Crop Improvement Association; Hawai'i Farm Bureau; Maui County Farm Bureau; Hawaii Cattlemen's Council, Inc.; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and Ho'omanapono Political Action Committee. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that farm equipment and machinery are costly to the average farmer, who typically earns an average of only \$35,000 annually. This measure seeks to provide some financial relief to Hawaii's farmers.

Your Committee has amended this measure by:

- (1) Clarifying that the maximum gross income that a producer may earn to be eligible for the exemption shall be evidenced by the producer's income tax return for the previous taxable year;
- (2) Clarifying that items intended for sale in the ordinary course of business, which are excluded from the definition of "farm equipment and machinery", are items purchased for the purpose of resale;
- (3) Deleting language that would have allowed the Director of Taxation to adopt administrative rules setting a time limitation for the exemptions;
- (4) Changing the effective date to July 1, 2018; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2462, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2462, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5; Ayes with Reservations (Rhoads). Noes, none. Excused, none.

SCRep. 2967 Commerce, Consumer Protection, and Health on H.B. No. 2739

The purpose and intent of this measure is to:

- (1) Establish a regulated process for an adult resident of the State who is diagnosed with a medically confirmed terminal disease that will result in the adult resident becoming deceased in less than six months to obtain a prescription for medication to end the patient's life; and
- (2) Impose criminal sanctions for tampering with a patient's request for a prescription or coercing a patient to request a prescription.

Your Committee received testimony in support of this measure from the Office of the Governor; Office of the Lieutenant Governor; Department of the Attorney General; Department of Health; Hawai'i Psychological Association; International Longshore and Warehouse Union, Local 142; Hawaii State AFL-CIO; Americans for Democratic Action - Hawai'i; Hawaii Citizens for End of Life Choices; Planned Parenthood Votes Northwest and Hawaii; Hawai'i State Democratic Women's Caucus; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; LGBT Caucus of the Democratic Party of Hawai'i; Rainbow Family 808; Filipina Advocacy Network; IMUAlliance; Kupuna Caucus of the Democratic Party of Hawai'i; Hawai'i Advocates for Consumer

Rights; Hawai'i Death with Dignity Society; Hawai'i Friends of Civil Rights; Compassion and Choices – Hawai'i; Ho'omanana Pono, LLC; Hawaii Martin Luther King, Jr. Coalition; Compassion and Choices; Ho'omanapono Political Action Committee; American Civil Liberties Union of Hawai'i; over one hundred thirty individuals; and a petition with over one thousand signatures. Your Committee received testimony in opposition to this measure from the St. Francis Healthcare System of Hawaii; Hau'oli Home Care, LLC; Honolulu County Republican Party; Hawaii Federation of Republican Women; Hawaii Family Forum; Hawaii Catholic Conference; Coptic Orthodox Church – The Hawaiian Mission; Mauka Makai Ministries - Windward; Concerned Women for America; Christian Counseling and Research Centers of America; Hawaii's Partnership for Appropriate and Compassionate Care; American Nurses Association; Not Dead Yet; Association of Programs for Rural Independent Living; Disability Rights Education & Defense Fund; National Council on Independent Living; American Association of People with Disabilities; over one hundred forty individuals; and form letters from over sixty individuals. Your Committee received comments on this measure from The Queen's Health Systems and two individuals.

Your Committee finds that medical aid in dying is a medical practice in which a mentally capable, terminally ill adult with less than six months to live may request a prescription for a medication that the terminally ill adult can self-administer to achieve death. According to testimony received by your Committee, up to fifty-one percent of patients experience pain at the end of life. The prevalence of pain has been noted to increase significantly in the last four months of life, with breakthrough pain – severe pain that erupts while a patient is already medicated with a long-acting painkiller – remaining a challenge for many patients. Furthermore, while hospice and palliative care are widely available and may be an excellent option for some, care provided through these methods is still within the control of a health care provider, not a terminally ill patient who may wish for the freedom to make the patient's own end-of-life decisions.

Your Committee further finds that numerous polls from a variety of national and state sources demonstrate that the American public is in favor of this end-of-life care option, with this majority support encompassing a variety of demographic groups, including ethnicity, education level, and religion. According to testimony received by your Committee, a 2016 poll found that eighty percent of registered Hawaii voters support medical aid in dying.

Your Committee notes that this measure is based on Oregon's groundbreaking Death with Dignity Act, which has been in effect for over twenty years and was enacted during a time when no other state authorized the medical practice of aid in dying. Since that time, California, Colorado, Vermont, Washington, and the District of Columbia have evaluated Oregon's experience and have enacted similar legislation. Your Committee additionally finds that medical aid in dying is a safe and trusted practice. In the states and territory that have authorized the practice, there has not been a single documented instance of coercion or abuse. The laws in these other states and territory are working as intended. Furthermore, rather than posing a risk to patients or the medical profession, Oregon's Death with Dignity Act has galvanized significant improvements in the care of the state's terminally ill and dying. According to testimony received by your Committee, when Oregonian physicians were surveyed on their efforts to improve end-of-life care, since the enactment of Oregon's Death with Dignity Act, thirty percent of respondents increased referrals to hospice care, while seventy-six percent made efforts to improve their knowledge of pain management. Furthermore, hospice nurses and social workers surveyed in Oregon observed an increase in physician knowledge of palliative care and willingness to refer to hospice.

Your Committee also finds that the availability of the option of medical aid in dying gives a terminally ill individual autonomy, control, and choice. Your Committee notes that this choice is the overwhelming motivational factor behind the decision to request assistance in dying. A terminally ill individual who seeks medical aid in dying may ultimately not choose to exercise this option; however, the mere availability of such a choice can bring comfort to people in their final days.

Your Committee further finds that any medical aid in dying legislation must include proper safeguards that prevent abuse and coercion. In order for any medical aid in dying option to truly be a choice, it must not be the only option. Accordingly, this measure includes numerous, robust safeguards that protect against abuse and coercion and promote choice. This measure establishes strict eligibility criteria and guidelines that meet the highest standard of care for the medical practice of aid in dying, as described in clinical criteria published in the Journal of Palliative Medicine. Under this measure, to be eligible for aid-in-dying medication, adults must have a medically confirmed terminal disease that will, within reasonable medical judgment, result in death within six months, and be mentally capable of making their own health care decisions. Importantly, this measure clearly states that no person shall qualify for medical aid in dying solely based on age or disability.

This measure also has core safeguards that require the attending provider to inform terminally ill adults about other feasible alternatives or additional treatment options, including comfort care, hospice care, and pain control; require a second provider to confirm the terminal diagnosis, prognosis, and mental capability; require counseling to ensure the patient is capable and does not appear to be suffering from undertreatment or nontreatment of depression or other conditions that may interfere with the patient's ability to make an informed decision; and require the terminally ill adult to make two verbal and one written request, signed by two witnesses. In keeping with the overarching theme of choice, this measure clearly states that a qualified patient may rescind a request at any time and in any manner. Furthermore, providers may not write a prescription for medication under this measure without offering a qualified patient the opportunity to rescind a request.

Your Committee notes that this measure offers terminally ill patients a meaningful option as part of the State's already-robust continuum of palliative and hospice care. Your Committee also notes that according to testimony from the Department of the Attorney General, there is no serious constitutional impediment to this measure as it is currently drafted.

Finally, your Committee notes that this country's social institutions are based on the premises that its citizens are rational, independent, and free, possess autonomy, and are aware of their own self-interests. As all people deserve the respect to live their lives with dignity, your Committee does not believe it is appropriate to disregard this principle of individual liberty and self-determination when life approaches its inevitable end. Your Committee therefore concludes that a terminally ill person's end-of-life choices are deeply personal, private matters that should be left to the patient, the patient's family, and the patient's attending provider. Accordingly, this measure permits mentally capable, terminally ill adults in Hawaii to have the choice and autonomy to make informed decisions regarding their end-of-life care.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2739, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Chang).

SCRep. 2968 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2133

The purpose and intent of this measure is to establish that citizen complaints against a police officer that involve allegations of domestic abuse by the police officer against a family or household member shall not be required to be filed as a notarized or sworn written statement.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Domestic Violence Action Center, Hawaii State Coalition Against Domestic Violence, Hawai'i State Democratic Women's Caucus, and one individual. Your Committee received comments on this measure from the Department of the Prosecuting Attorney for the City and County of Honolulu.

Your Committee finds that curtailing domestic violence is important for the health, safety, and welfare of citizens and that a vital part of reducing domestic violence is ensuring that those reporting acts of domestic violence feel secure and confident in coming forward with complaints. The potential for chilling the voices of those wishing to report acts of domestic violence is particularly high when those reports complain of acts of domestic violence perpetrated by a police officer against a family or household member. Accordingly, this measure allows an individual to make a complaint against a police officer alleging an act of domestic violence against a family or household member without being required to swear to or make the complaint in writing. Additionally, your Committee notes that the legislative intent is to apply this measure only to the civil administrative internal investigations within the police departments.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2133, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2969 (Majority) Government Operations on H.B. No. 71

The purpose and intent of this measure is to prohibit a sitting Governor or county Mayor from maintaining outside employment or receiving emoluments, with certain, limited exceptions.

Your Committee received testimony in support of this measure from two individuals. Your Committee received comments on this measure from the Department of the Attorney General and Hawaii State Ethics Commission.

Your Committee finds that minimizing potential conflicts of interest of government officials is important for maintaining a strong trust relationship between government and the public. Your Committee further finds that when government officials maintain outside employment or receive certain benefits from outside sources while serving the public, the public's confidence in those officials' ability to put the public's interests first may be eroded. Therefore, your Committee finds that it is important to establish that a sitting Governor or county Mayor should be prohibited from maintaining outside employment or receiving emoluments, with certain, limited exceptions.

However, your Committee notes the various concerns raised regarding the breadth of this measure's prohibitions. Your Committee has some concerns about this measure's potential impact on small business owners who may serve in governmental leadership positions. Under the proposal it may be quite difficult for a small business owner to sell the owner's business particularly within the sixty-day time frame established by the proposal. Moreover, your Committee has questions about the potential impact that this measure might have on the ability of worthy and qualified individuals to seek certain governmental offices given the economic impact this measure might have on individuals. Your Committee suggests that if your Committee on Judiciary decides to hear this measure that your Committee on Judiciary investigate these issues further.

Accordingly, your Committee has amended this measure by inserting an effective date of January 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 71, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 71, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 1 (Ruderman). Excused, none.

SCRep. 2970 Government Operations on H.B. No. 2055

The purpose and intent of this measure is to appropriate funds to establish two full-time equivalent (2.00 FTE) construction procurement specialist positions to support the State Procurement Office.

Your Committee received testimony in support of this measure from the State Procurement Office.

Your Committee finds that the State Procurement Office lacks necessary construction procurement specialists to properly oversee construction procurement. Construction procurement is a unique type of procurement that has its own rules and must adhere to additional statutes on construction, design, licenses, and post-award construction requirements. Your Committee finds that the State Procurement Office is unable to appropriately oversee and manage construction procurement without access to qualified and

knowledgeable construction subject matter experts. Accordingly, your Committee finds that the State Procurement Office would benefit from the hiring of two full-time construction procurement specialists.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2055, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2971 Government Operations on H.B. No. 1709

The purpose and intent of this measure is to:

- (1) Authorize expending agencies of grants to delegate their expending authority to a different agency, subject to approval of the grant recipient and the Governor;
- (2) Require the Department of Budget and Finance to submit an annual report on the status of awarded and pending grants; and
- (3) Repeal the statutory requirement that the Governor notify grant recipients on the status of their grants if grant funds are not released within ninety days of their authorization.

Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that grants to private entities and county government agencies are an important tool that help private entities and county government agencies provide benefits to the public. However, grant funds are not always expended effectively or efficiently by the designated expending agency. Your Committee finds that inefficient use of valuable and limited financial resources should be corrected so that the public receives the maximum benefit from allocated resources.

Your Committee has amended this measure by requiring that the Department of Budget and Finance submit the annual report required by this measure to the Legislature no later than twenty days prior to the start of each regular session, beginning with the 2019 Regular Session.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1709, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1709, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2972 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2389

The purpose and intent of this measure is to specify that funds furnished by the Hawaii Paroling Authority to persons discharged or paroled shall be subject to the availability of legislative appropriations authorized and allocated for that purpose.

Your Committee received testimony in support of this measure from the Hawaii Paroling Authority, Community Alliance on Prisons, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and Ho'omanapono Political Action Committee.

Your Committee finds that an efficient and effective parole system is essential to the proper functioning of the State's corrections system. The law provides that the Hawaii Paroling Authority, in its discretion, may upon discharge or parole of a committed person, provide the person with up to \$200 to meet the person's immediate needs. This measure clarifies that provision by ensuring the Paroling Authority shall only provide these funds if legislative appropriations for this specific purpose have been authorized and allocated to the Authority. Your Committee additionally finds that it is important to ensure that any funds appropriated to provide for the immediate needs of discharged or paroled persons be used only for that purpose.

Further, your Committee finds that the provision of funds alone is often insufficient to meet the immediate needs of a committed person being discharged or paroled and that appropriate resource referrals are equally important to ensuring a successful transition back into society.

Accordingly, your Committee has amended this measure by:

- (1) Requiring that committed persons be given appropriate resource referrals before being furnished with funds to meet the committed person's immediate needs by the Hawaii Paroling Authority at discharge or parole;
- (2) Prohibiting the Hawaii Paroling Authority from using funds appropriated for the purpose of providing for the immediate needs of discharged or paroled persons for any other purpose; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2389, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2389, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2973 Commerce, Consumer Protection, and Health on H.B. No. 2345

The purpose and intent of this measure is to clarify:

- (1) Certain terminology used within the Money Transmitters Act for purposes of consistency; and
- (2) The powers of the Commissioner of Financial Institutions relating to money transmitters.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure clarifies the powers of the Commissioner of Financial Institutions and amends bond and other security device provisions for consistency with terms used in the Money Transmitters Act. This measure also enhances the Commissioner of Financial Institutions' ability to take appropriate action against violators of the State's money transmitters law, deter noncompliance, and protect consumers.

Your Committee has amended this measure by:

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

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2345, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2345, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 2974 (Joint) Hawaiian Affairs and Labor and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 1999

The purpose and intent of this measure is to require additional government officials in decision-making positions at the state and county levels to participate in a training course on native Hawaiian and Hawaiian rights.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Office of Hawaiian Affairs; Hawaiian Affairs Caucus of the Democratic Party of Hawaii; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Kuakini Hawaiian Civic Club; Ho'omanapono Political Action Committee; Ka Lāhui Hawaii Political Action Committee; Ho'omana Pono, LLC; and three individuals. Your Committees received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies. Your Committees received comments on this measure from one member of the Maui County Council.

Your Committees find that Act 169, Session Laws of Hawaii 2015, requires certain state and county officials to participate in a training course focused on native Hawaiian and Hawaiian rights. Your Committees further find that the training course has received positive reactions from those who have participated, and participants indicated that the training course gave them a better understanding of their responsibilities to the Hawaiian community. Given the positive reaction and the importance of the training course, your Committees believe that the scope of officials statutorily mandated to participate in the training course should be expanded in order to better inform public officials who affect the daily lives of native Hawaiians through their professional decisions.

Your Committees received testimony suggesting that the attendance by two or more county council members at the training course requires the Sunshine Law to also be considered or, as an alternative, requires that the training course be exempt from the Sunshine Law, because the training encompasses issues that are or may become board business. Your Committees note that the Office of Hawaiian Affairs stated in their oral testimony that upon an analysis done on S.B. No. 2134 (Regular Session of 2018), a bill with substantially similar content, the training course does comply with the Sunshine Law as it does not deal with "matters relating to official board business" and is only a training course.

Your Committees recognize the concern of the Office of Hawaiian Affairs that requiring judges to participate in the training course can potentially jeopardize a safe learning environment and will greatly increase the cost of the course, which the Office of Hawaiian Affairs voluntarily funds out of the Native Hawaiian Trust Fund. However, your Committees believe that judges play an important role in the lives of native Hawaiians and can benefit greatly from participating in the training course.

Your Committees find that providing training to judges falls under the intent of the training course and requests your Committee on Ways and Means to examine the possibility of providing general funds as a cost-sharing mechanism to supplement funding from the Native Hawaiian Trust Fund in order to make the training course available to judges.

Your Committees have amended this measure by:

- (1) Inserting an appropriation of an unspecified amount for the Office of Hawaiian Affairs to plan and implement the training course; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs, Labor, and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1999, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1999, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (English, Green).

Labor: Ayes, 3. Noes, none. Excused, 2 (English, Ihara).
Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 2975 Economic Development, Tourism, and Technology on H.B. No. 2174

The purpose and intent of this measure is to:

- (1) Establish the high-growth grant program in the Department of Business, Economic Development, and Tourism to assist qualified businesses by providing grants for specific business development purposes;
- (2) Establish the high-growth grant program special fund; and
- (3) Appropriate funds to the high-growth grant program special fund to implement the high-growth grant program.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Chamber of Commerce Hawaii; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Maui Gold Pineapple Company; Hawai'i Farm Bureau; and one individual.

Your Committee finds that a high-growth grant program will help businesses in Hawaii further develop by expanding their business operations, improving the quality and efficiency of their operations, and staying updated with safety and quality control programs. This grant program will support businesses by assisting in purchasing equipment, conducting management and workforce training, improving infrastructure, and conducting consulting or feasibility studies. Your Committee believes that the high-growth grant program will expand businesses in Hawaii to compete with mainland counterparts and spur economic development in Hawaii.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2174, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Galuteria).

SCRep. 2976 Economic Development, Tourism, and Technology on H.B. No. 2610

The purpose and intent of this measure is to appropriate funds for the Hawaii Technology Development Corporation's manufacturing grant program.

Your Committee received testimony in support of this measure from the Hawaii Technology Development Corporation; Oceanit Laboratories, Inc.; KYD, Inc.; TeleVoice 2000; Diamond Bakery Company, Ltd.; Hawaii Food Industry Association; Chamber of Commerce Hawaii; Kona Brewing Company; Maui Brewing Company; Hawaiian Chip Company, LLC; Makai Ocean Engineering, Inc.; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Origin Coffee Roasters; Hawaii Coffee Company; DewPoint System, LLC; Jonah Heller, Creative; Aloha Shoyu Company, Ltd.; Hawai'i Farm Bureau; Hawaii Fish Company; Maui Chamber of Commerce; Hyperspective Studios, Inc.; and three individuals.

Your Committee finds that the Hawaii Technology Development Corporation supports local manufacturers through its INNOVATE Hawaii program, which receives federal funding from the National Institute of Standards and Technology of the United States Department of Commerce to deliver the Manufacturing Extension Partnership program, to businesses throughout the State. The INNOVATE Hawaii program also administers the manufacturing grant program, also known as the Manufacturing Assistance Program Grant. Your Committee recognizes that the manufacturing grant program assists businesses located in Hawaii that face additional obstacles, such as high cost of energy and shipping in comparison to mainland businesses. Your Committee believes that supporting the manufacturing grant program will allow manufacturers in Hawaii to be more competitive, ultimately creating more jobs and long-term investments in Hawaii.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2610, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Galuteria).

SCRep. 2977 Economic Development, Tourism, and Technology on H.B. No. 2333

The purpose and intent of this measure is to authorize the Department of Business, Economic Development, and Tourism to deposit monies it receives from the repayments of outstanding loans and payments of certain loan programs into the Hawaii community-based economic development revolving fund.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Hawai'i Alliance for Community-Based Economic Development; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Waianae Economic Development Council; Hawai'i Farm Bureau; and one individual.

Your Committee finds that the Hawaii capital loan program, Hawaii large fishing vessel purchase, construction, renovation, maintenance, and repair loan program, and Hawaii small fishing vessel loan program have been inactive since the repeal of the three programs' revolving funds. Your Committee further finds that the recoveries from outstanding loans from these programs would be better utilized in the Hawaii community-based economic development revolving fund, which supports the community-based economic development (CBED) program. The three loan programs share similar missions with the CBED program in that all of the programs were designed to assist small businesses and positively impact their communities, thereby validating the deposit of monies into the Hawaii community-based economic development revolving fund.

Your Committee believes that reallocating funds to the CBED program will support Hawaii's most socially and economically challenged regions and demographic groups through community-supported economic development projects. The CBED program improves the living standards of Hawaii's residents in the most vulnerable communities and provides an opportunity to not only stimulate business activity, but also create jobs for socially and economically challenged communities.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2333, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Galuteria).

SCRep. 2978 Economic Development, Tourism, and Technology on H.B. No. 1958

The purpose and intent of this measure is to:

- (1) Appropriate funds to continue the Small Business Innovation Research program; and
- (2) Authorize the Hawaii Technology Development Corporation to match a percentage of phase III awards or contracts of the federal Small Business Innovation Research program or Small Business Technology Transfer program that are funded by private sector or government sources outside of the program.

Your Committee received testimony in support of this measure from the Hawaii Technology Development Corporation; Oceanit Laboratories, Inc.; Hawaii Evolutionary Development, LLC; TeleVoice 2000; Premier Solutions; Chamber of Commerce Hawaii; Marine Genetics; Makai Ocean Engineering, Inc.; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Kolohala Holdings, LP; DewPoint System, LLC; Jonah Heller, Creative; Spectrum Photonics; Jun Innovations, Inc.; Hawaii Fish Company; Nalu Scientific, LLC; Hyperspective Studios, Inc.; and four individuals.

Your Committee finds that, pursuant to section 15-32-3, Hawaii Administrative Rules, the purpose of the Small Business Innovation Research program (SBIR) and Small Business Technology Transfer grant program (STTR) is to "provide funds to complement federal SBIR and STTR awards to increase the competitiveness of small businesses in Hawaii and to enhance their prospects for bringing subsequent SBIR and STTR awards of federal funds into the State . . ." Your Committee further finds that phase I grants have been assisting small businesses since 1989. In fiscal year 2015-2016, the Hawaii Technology Development Corporation began awarding the larger phase II and III grants to selected companies that have more difficult and commercially promising projects.

Your Committee believes that supporting small businesses by allocating more funding through the SBIR and STTR programs will allow Hawaii businesses to sustain their businesses in a highly competitive market. Your Committee notes that for every dollar that is invested through the SBIR program, companies in Hawaii have attracted over twenty federal dollars in return to the State, plus commercialization funding. Your Committee believes that the grant program will provide a positive economic development value for the State by supporting projects with vetted technology and backed with federal funds.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1958, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Galuteria).

SCRep. 2979 Economic Development, Tourism, and Technology on H.B. No. 2559

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist SpinLaunch Inc., in financing the costs of planning, design, construction, equipping, acquisition of land, and other tangible assets required for an electrically powered, kinetic launch system for small satellites.

Your Committee received testimony in support of this measure from the Pacific International Space Center for Exploration Systems, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Engineering Space, and three individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that it is important to diversify Hawaii's economy, rather than depend solely on tourism and agriculture. Your Committee believes that the aerospace industry has potential to be a key factor in Hawaii's economy given Hawaii's geographical location. SpinLaunch Inc., proposes to construct an electrical small satellite launch system on the island of Hawaii, which your Committee believes to be a step toward advancing the aerospace industry in Hawaii. This proposed project is expected to generate millions of dollars in construction project spending and create long-term technical jobs relating to the operation of the launch facility. Accordingly, your Committee believes that the issuance of special purpose revenue bonds to assist SpinLaunch Inc., will improve the State's economy and benefit the aerospace industry.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2559, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Galuteria).

SCRep. 2980 Labor on H.B. No. 2114

The purpose and intent of this measure is to provide that negotiations over the implementation of management decisions affecting the terms and conditions of employment that are subject to collective bargaining are not precluded from collective bargaining negotiations.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; State of Hawaii Organization of Police Officers; United Public Workers, AFSCME, Local 646, AFL-CIO; Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO; IMUAlliance; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; University of Hawaii Professional Assembly; and Hawaii State AFL-CIO. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu and Hawaii Health Systems Corporation.

Your Committee finds that the impact of management decisions that affect terms and conditions of employment, including procedures and criteria for promotions, transfers, assignments, demotions, layoffs, suspensions, terminations, discharges, or other disciplinary actions, should be mandatory subjects of collective bargaining. Your Committee recognizes that the language in this measure remains consistent with the principle that matters affecting wages, hours, and working conditions are negotiable, subject to section 89-9(d), Hawaii Revised Statutes. Your Committee finds that this measure will serve to clarify much of the past confusion and delays as to what is negotiable and encourage good faith on behalf of all parties in the collective bargaining process.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2114, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2114, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Ihara).

SCRep. 2981 Labor on H.B. No. 1726

The purpose and intent of this measure is to appropriate funds for fiscal biennium 2017-2019 for collective bargaining cost items, salary increases, and other cost adjustments for public employees in collective bargaining unit (14) and for their excluded counterparts.

Your Committee received testimony in support of this measure from the Department of Budget and Finance; Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO; and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the negotiations for collective bargaining agreements for bargaining unit (14) are currently in progress. This measure provides a legislative vehicle that can be used if an agreement is reached or an arbitration award is issued prior to the end of the 2018 Regular Session.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1726, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1726, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Ihara).

SCRep. 2982 Labor on H.B. No. 1725

The purpose and intent of this measure is to require collective bargaining public employees to provide written notification to the employee's exclusive representative to discontinue the employee's payroll assignments within a certain time period.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; United Public Workers, AFSCME, Local 646, AFL-CIO; State of Hawaii Organization of Police Officers; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO.

Your Committee finds that in *Janus v. AFSCME*, currently pending a decision from the United States Supreme Court, the petitioners are seeking to invalidate public-sector agency shop arrangements arguing that such arrangements violate the petitioners' First Amendment rights. A ruling in favor of the petitioners in *Janus* may allow public sector employees to leave their unions and not pay dues, while the unions, in turn, would still be legally-bound to represent them, effectively changing collective bargaining representatives' ability to collect resources from their members and potentially diminishing public employees' ability to effectively negotiate. Your Committee finds that this measure requires employees wishing to opt out of union membership to provide written notification within thirty days of the anniversary of their initial membership date in any given year of their desire to discontinue payroll deductions to their exclusive representative, thereby allowing unions to better manage the impact of potential member resignations in the wake of a possible Supreme Court ruling that goes against the unions.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1725, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Ihara).

SCRep. 2983 Labor on H.B. No. 1654

The purpose and intent of this measure is to abolish the office of community services special fund.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the office of community services special fund is an administratively created fund within the Department of Labor and Industrial Relations which is no longer used or needed. The Auditor found in Auditor's Report No. 17-12, which reviewed special funds, revolving funds, trust funds, and trust accounts of the State, that the office of community services special fund does not meet the criteria for continuance as a special fund, and therefore recommended that the special fund be abolished and the remaining unencumbered balance be transferred to the general fund. This measure enacts the recommendations of the Auditor.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1654, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Ihara).

SCRep. 2984 Labor on H.B. No. 1929

The purpose and intent of this measure is to require the Hawaii Labor Relations Board to adopt emergency rules if the Board finds that Hawaii's collective bargaining in public employment law, or the application thereof, is inconsistent with any federal or state law and the adoption of an emergency rule is urgently needed.

Your Committee received testimony in support of this measure from the University of Hawaii Professional Assembly; United Public Workers, AFSCME, Local 646, AFL-CIO; and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that based upon the anticipated 2018 United States Supreme Court ruling in *Janus v. American Federation of State, County and Municipal Council 31*, U.S. Supreme Court Docket No. 16-1466, the constitutional and statutory underpinnings of Hawaii public sector collective bargaining may be at risk. The *Janus* decision may require statutory changes; however, a challenge arises when the Legislature is not in session and an event or series of circumstances arise that requires immediate action to mitigate any damage. Your Committee further finds that the current circumstances presented by the *Janus* case may present immediate, important questions regarding the application of chapter 89, Hawaii Revised Statutes, relating to collective bargaining. Accordingly, your Committee finds that it is necessary to grant the Hawaii Labor Relations Board emergency rulemaking powers.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1929, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1929, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Ihara).

SCRep. 2985 Agriculture and Environment on H.B. No. 1883

The purpose and intent of this measure is to establish and appropriate funds for a two-year agricultural theft and vandalism pilot project to examine the effectiveness of prosecuting agricultural theft and vandalism cases, including theft and vandalism affecting individuals who produce agricultural products for personal or small-scale commercial use on any land, in the County of Hawaii.

Your Committee received testimony in support of this measure from the Department of Agriculture, County of Hawaii Office of the Prosecuting Attorney, two members of the Hawai'i County Council, Hawai'i Farm Bureau, Ulupono Initiative, Land Use Research Foundation of Hawaii, Hawaii Coffee Association, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual.

Your Committee finds that agricultural theft and vandalism in the County of Hawaii are impediments to not only running a successful and profitable farming operation, but also to growing food or agricultural products for personal use or small-scale commercial use. Agricultural theft and vandalism are a serious, ongoing problem, with farmers reporting theft of crops, animals, equipment, and tools, and vandalized fences and gates. Since many incidents of agricultural theft and vandalism are not reported, the annual monetary losses can only be estimated in the millions of dollars. By establishing an agricultural theft and vandalism pilot project for the County of Hawaii, this measure provides additional focus on investigating and prosecuting agricultural theft and vandalism.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$200,000;
- (2) Changing the effective date to July 1, 2018; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1883, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1883, H.D. 2, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2986 Agriculture and Environment on H.B. No. 2305

The purpose and intent of this measure is to extend the pesticide subsidy program manager position through the fiscal year immediately following the program sunset date and affirmatively extend the position's civil service and collective bargaining laws exemption.

Your Committee received testimony in support of this measure from the Department of Agriculture; Office of the Mayor of the County of Hawai'i; Land Use Research Foundation of Hawaii; Hawai'i Farm Bureau; Hawaii Cattlemen's Council, Inc.; Ka Ohana O Na Pua; and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the pesticide subsidy program in the Department of Agriculture assists coffee growers with offsetting the costs of purchasing certain pesticides known to be effective against the coffee berry borer, a highly destructive coffee pest. The program was established to run for five years. Your Committee also finds that the current pesticide subsidy program manager position is a full-time, temporary position that is exempt from civil service and collective bargaining laws. Due to a provision in the civil service law, this exemption will expire on June 30, 2018. The pesticide subsidy program took longer than anticipated to implement, thus the program sunset date was extended from June 30, 2019, to June 30, 2021; however, the exemption of the pesticide subsidy program manager position was not similarly extended. Applications for a subsidy for pesticide purchases made in a fiscal year must be filed in the immediately following fiscal year. Therefore, for pesticide purchases made in the last fiscal year of the program, from July 1, 2020, to June 30, 2021, applications for subsidies must be filed in the immediately following fiscal year, anytime from July 1, 2021, to June 30, 2022. The manager position will be needed to process these applications for subsidies for costs incurred in the final year of the program; thus, your Committee finds that the exemption must be extended.

Your Committee has amended this measure by:

- (1) Clarifying that the current exemption from chapters 76 and 89, Hawaii Revised Statutes, for the subsidy program manager position are extended until the expiration date of the position; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2305, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2305, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 2987 Economic Development, Tourism, and Technology on H.B. No. 583

The purpose and intent of this measure is to appropriate funds to the Hawaii Technology Development Corporation to continue its operations and administration and its various programs, thereby providing additional time to develop public-private partnerships for a new incubator facility for small businesses, which will generate revenue for the Development Corporation's operating expenses.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Technology Development Corporation; Kuehnle AgroSystems, Inc.; Bright Light Digital; HI FusionED; Hawaii Evolutionary Development, LLC; TeleVoice 2000; Big Wave Digital Services; Blue Startups; Hawaii Food Industry Association; Chamber of Commerce Hawaii; Carbon Buddy, LLC; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; DewPoint System, LLC; 'Io Quantitative, LLC; Nest Egg Guru, Inc.; USD Mint, Inc.; Kona-Kohala Chamber of Commerce; and six individuals.

Your Committee finds that the Hawaii Technology Development Corporation has been utilizing rent revenue received from the incubation program at the Manoa Innovation Center to fund half of its staff's salaries and all of its discretionary program funding. According to testimony received by your Committee, the Development Corporation was notified by the University of Hawaii System of the University's intention to terminate the lease at the Manoa Innovation Center, effective June 30, 2018, ultimately depleting the Development Corporation's funding by half.

While your Committee recognizes the generosity of the University of Hawaii by allowing the Development Corporation to continue to use the Manoa Innovation Center rent-free even after the lease ended in April of 2015, your Committee also recognizes the importance of the Development Corporation and believes that the Development Corporation requires funding from the Legislature to maintain its staff and programs, which significantly benefit the tech industry of Hawaii.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 583, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Galuteria).

SCRep. 2988 Human Services on H.B. No. 694

The purpose and intent of this measure is to:

- (1) Establish and appropriate funds for the health analytics program and four full-time equivalent (4.0 FTE) positions within the Med-QUEST Division of the Department of Human Services; and
- (2) Authorize the health analytics program to maintain an all-payers medical claims database.

Your Committee received testimony in support of this measure from the Department of Human Services, Department of Budget and Finance, Department of Commerce and Consumer Affairs, University of Hawai'i System, Hawaii Employer-Union Health Benefits Trust Fund, Office of Enterprise Technology Services, State Health Planning and Development Agency, Hawai'i Primary Care Association, Hawaii Medical Association, and Hawaii Medical Service Association.

Your Committee finds that Act 139, Session Laws of Hawaii 2016, broadened the scope of health and health care data and other information to facilitate greater transparency and understanding of healthcare costs, improve healthcare system quality, population health outcomes, and health disparities through the development of an all-payers medical claims database. Your Committee further finds that the establishment of a health analytics program and all-payers medical claims database will allow the Med-QUEST Division to meet critical Medicaid-specific operational and policy goals and implement and evaluate programs to improve the State's healthcare delivery system and overall long-term health and well-being.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 694, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

SCRep. 2989 Human Services on H.B. No. 1926

The purpose and intent of this measure is to require the Department of Human Services to use an integrated and multigenerational approach to delivering human services to reduce the incidence of intergenerational poverty and dependence on public benefits.

Your Committee received testimony in support of this measure from the Department of Human Services, Hawai'i Primary Care Association, Young Progressives Demanding Action - Hawaii, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the Department of Human Services provides numerous and diverse programs and services for the State. In 2016, the Department embarked on its 'Ohana Nui effort by adopting a multigenerational approach to transform the way services are provided to individuals and families to improve outcomes and well-being. Your Committee further finds that the adoption of a service integration and multigenerational approach will continue the Department's practices and services to better support children, families, and other individuals.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1926, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Tokuda).

SCRep. 2990 Human Services on H.B. No. 1716

The purpose and intent of this measure is to:

- (1) Establish a Youth Commission within the Office of Youth Services to advise the Governor and Legislature on policies affecting youth in the State; and
- (2) Appropriate funds to the Office of Youth Services to staff and administer the Youth Commission.

Your Committee received testimony in support of this measure from the Office of Youth Services, Community Alliance on Prisons, Hawaii Youth Services Network, Hawai'i Public Health Institute, Young Progressives Demanding Action - Hawaii, Oahu County Committee on Legislative Priorities for the Democratic Party of Hawai'i, and one individual.

Your Committee finds that increasing youth participation in the public policymaking process is a vital state interest. Your Committee further finds that although youth under the age of eighteen may not vote, they deserve access and input through other means, such as a Youth Commission, to have a greater role in the policymaking process.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1716, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Tokuda).

SCRep. 2991 Human Services on H.B. No. 2530

The purpose and intent of this measure is to:

- (1) Eliminate the Department of Human Services' (Department) legal obligation to determine required liability insurance coverage amounts for regulated child care providers;
- (2) Delay the deadline under Act 161, Session Laws of Hawaii 2017, for the Department to report issues related to liability insurance requirements; and
- (3) Delay the implementation and enforcement of liability insurance coverage requirements.

Your Committee received testimony in support of this measure from the Department of Human Services, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Keiki Ohana Daycare, and one individual.

Your Committee finds that the intent of Act 161, Session Laws of Hawaii 2017, was to strengthen the minimum standards of child care to improve the health and safety of children by requiring child care providers to obtain and maintain liability insurance coverage. Testimony received by your Committee indicates that some child care providers may not be able to renew their existing homeowners' policies and are considering not registering with the Department due to the new insurance requirement. This measure will give the Department additional time to establish child care insurance coverage rules and policies that satisfy all child care providers.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2530, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Tokuda).

SCRep. 2992 Human Services on H.B. No. 1718

The purpose and intent of this measure is to assist families with young children by establishing a nonrefundable income tax credit for child care costs for children four years and younger.

Your Committee received testimony in support of this measure from Young Progressives Demanding Action - Hawai'i, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual. Your Committee received comments on this measure from the Department of Human Services, Department of Taxation, and Tax Foundation of Hawaii.

Your Committee finds that the high cost of infant and child care in the State poses a significant challenge for families. Your Committee further finds that the cost of raising a child in the State is higher than the national average, with child care costs being one of the top expenses for a working family. This measure will assist families with young children by providing financial relief from the high cost of child care.

Your Committee has amended this measure by:

- (1) Inserting \$3,000 as the maximum amount for a taxpayer to receive as a nonrefundable tax credit per eligible child per taxable year;
- (2) Amending the definition of "qualifying costs" to include costs for care provided at infant and toddler child care centers registered or licensed by the Department of Human Services; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1718, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1718, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Tokuda).

SCRep. 2993 Human Services on H.B. No. 1859

The purpose and intent of this measure is to allow a minor who is at least sixteen years old to petition the Family Court for emancipation under certain conditions.

Your Committee received testimony in support of this measure from Young Progressives Demanding Action - Hawai'i and one individual. Your Committee received comments on this measure from the Department of Human Services, Hawaii Youth Services Network, and one individual.

Your Committee finds that minors have few rights and responsibilities and depend on parents and guardians to access resources and privileges. However, some minors may face significant and harmful situations, such as being physically or emotionally abused by their parents or guardians, and want to seek emancipation. Your Committee notes that under this measure, roughly one thousand minors in the State will be eligible to seek emancipation. This measure will empower minors to make financial-, educational-, and health-related decisions necessary to attain their personal aspirations.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1859, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1859, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Tokuda).

SCRep. 2994 (Joint) Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2219

The purpose and intent of this measure is to expand the candidate pool for membership on a county arborist advisory committee by making the following disciplines, in addition to persons actively employed in landscape architecture, eligible for membership: certified arborists, horticulturalists with specialization in trees, and persons who have received a master's degree in botany.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Malama O Puna, The Outdoor Circle, East Hawaii Outdoor Circle, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that the Exceptional Tree Act, Act 105, Session Laws of Hawaii 1975, recognizes the value of trees for their beauty and ecological functions and requires each county to establish a county arborist advisory committee to enact regulations to protect trees of exceptional stature. Your Committees also find that section 58-2, Hawaii Revised Statutes, requires one member of the county arborist advisory committee to be actively employed in the practice of landscape architecture. The County of Hawaii currently has only three landscape architects working within the county, thereby severely limiting the pool of candidates, and, as a result, the County of Hawaii has not had a functioning county arborist advisory committee since 2008. Your Committees therefore find that this is a common sense measure to assist the neighbor islands with the protection of exceptional trees.

Your Committees have amended this measure by changing the effective date to upon its approval.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2219, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2219, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Wakai).

SCRep. 2995 (Joint) Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 1800

The purpose and intent of this measure is to authorize each county to establish a requirement for customers to provide a number of used motor vehicle tires to the tire retailer equal to the number of new motor vehicle tires purchased, or pay a fee that is refundable upon provision of the used tires, as an incentive for tire recycling and to offset some of the expenses of used tire cleanup.

Your Committees received testimony in support of this measure from the Department of Health, Sierra Club of Hawai'i, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and two individuals. Your Committees received testimony in opposition to this measure from the Hawaii Automobile Dealers' Association and one individual. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that improper disposal of tires is a serious environmental and health concern. Illegally dumped tires are breeding grounds for mosquitos, fire hazards, unsightly, and costly to clean up. Your Committees support efforts to encourage proper disposal of tires; however, upon hearing testimony, your Committees believe that this measure does not properly incentivize tire recycling. Therefore, your Committees find that at this time it is best to provide support to the counties to increase enforcement and cleanup efforts of improperly disposed tires.

Your Committees further find that the motor vehicle tire surcharge of \$1 per tire was paid by tire importers until its sunset date in 2006. These surcharges were deposited into a special account in the environmental management special fund to be used for a variety of purposes, including cleanup of improper tire disposal sites. While there is no longer a revenue source for this account, the remaining balance is \$300,000. Your Committees find that the special account in the environmental management special fund should therefore be used to offset the costs to the counties to clean up improper tire disposal sites.

Accordingly, your Committees have amended this measure by:

- (1) Deleting section 2 and inserting language:
 - (A) Mandating that the counties use a portion of their respective highway beautification fee revenues for cleanup of improper tire disposal sites;
 - (B) Making an appropriation from the special account in the environmental management special fund to each of the four counties; and
 - (C) Requiring the counties to submit annual reports to the Legislature providing statistics on the number of improperly disposed tires collected;
- (2) Amending the preamble to reflect its amended purpose;
- (3) Changing the effective date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees request that your Committee on Ways and Means give consideration to each county's population, geography, and number of potential improper tire disposal sites to determine whether the appropriation made from the special account of the environmental management special fund should be allocated to the four counties as equal or pro rata shares.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1800, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1800, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Wakai).

SCRep. 2996 (Joint) Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2470

The purpose and intent of this measure is to require state and county agencies to adopt and maintain rules pertaining to environmental protection, air quality, water supplies, water quality, and drinking water that are as stringent as, or more stringent than, applicable baseline federal standards.

Your Committees received testimony in support of this measure from the Board of Water Supply of the City and County of Honolulu, Malama O Puna, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Surfrider Foundation, Sierra Club of Hawaii, and five individuals. Your Committees received testimony in opposition to this measure from the Hawaii Farm Bureau. Your Committees received comments on this measure from the Department of Health, Chamber of Commerce Hawaii, and Building Industry Association of Hawaii.

Your Committees find that under new leadership, the Environmental Protection Agency has begun making decisions that conflict with the mission of the agency to protect human health and the environment, including decisions that contradict or ignore scientific findings and merits. Your Committees further find that such decisions may negatively impact Hawaii, which relies on the Environmental Protection Agency to protect human health and the environment from dangerous pollution, toxic debris, and contaminated drinking water. Your Committees find that this measure aims to protect the people and environment of Hawaii by authorizing its environment-related agencies to adopt rules to fill the gaps left by negligent or harmful decisions of the Environmental Protection Agency. Your Committees further find that other areas regulated by local environment-related agencies should also be strengthened to be no less stringent than baseline federal standards.

Accordingly, your Committees have amended this measure by:

- (1) Inserting language to apply the baseline federal standards to provisions relating to solid waste, solid waste control, hazardous waste control, underground storage tank regulation, and asbestos emission and lead hazard control, in addition to water supplies, air quality, water quality, and drinking water;
- (2) Changing the effective date to July 1, 2020, to allow time for the Department of Health to update its underground storage tank regulations; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2470, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2470, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Wakai).

SCRep. 2997 Housing on H.B. No. 1712

The purpose and intent of this measure is to increase the minimum percentage of residential units, excluding units in a project in which time share use is permitted, in a condominium project that must be offered for sale to prospective owner-occupants in the thirty-day period following the initial date of sale of units in the condominium project from fifty to ninety percent.

Your Committee received testimony in support of this measure from the American Resort Development Association Hawai'i, Kaka'ako United, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Hawaii Housing Finance and Development Corporation and Hawaiian Affairs Caucus of the Democratic Party of Hawai'i.

Your Committee finds that given the overall lack of affordable housing stock for Hawaii residents, additional policies are necessary to promote owner-occupancy of new condominium developments. This measure assists in increasing the housing pool for local residents and encourages developers to meet the State's dire need for affordable housing.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1712, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1712, H.D. 2, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2998 Housing on H.B. No. 2122

The purpose and intent of this measure is to:

- (1) Clarify the interests that are required to be represented by members who represent community development districts on the Hawaii Community Development Authority;
- (2) Require the President of the Senate and the Speaker of the House of Representatives, rather than the relevant county council, to nominate certain representatives to serve on the Hawaii Community Development Authority;

- (3) Require certain representatives who serve on the Hawaii Community Development Authority to be nominated for no more than one seat; and
- (4) Amend the definition of "small business" to require the business to have less than an unspecified number of employees on payroll and be within the physical boundaries of the applicable community development district where its principal place of operations takes place, rather than requiring the small business to not be dominant in its field of operation.

Your Committee received testimony in support of this measure from the Kakaako Makai Community Planning Advisory Council and one individual.

Your Committee finds that under existing law, the Honolulu City Council, as the council of the county in which all of the community development districts of the Hawaii Community Development Authority are located, nominates individuals to be appointed by the Governor to represent the Heeia, Kalaeloa, and Kakaako community development districts. The Hawaii Community Development Authority includes among its membership three representatives of the Kakaako community development district, including two residents of the district and one owner of a small business or one officer or director of a nonprofit organization in the district. Your Committee further finds that in 2017, confusion arose amongst Honolulu City Council members regarding the nomination process for the members representing the Kakaako community development district. Due to the important responsibilities of these members in determining the development of designated areas of the State, this measure clarifies the nomination process of these members and the members representing the other community development districts.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2122, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2122, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 2999 Housing on H.B. No. 2328

The purpose and intent of this measure is to:

- (1) Clarify that any projects assisted by the Hawaii Housing Finance and Development Corporation that were developed or sold prior to the enactment of Act 159, Session Laws of Hawaii 2017 (Act 159), are grandfathered in and not subject to Act 159, to avoid unintended consequences and administrative burdens; and
- (2) Limit the subsequent purchase price of real property developed and sold under chapter 201H, Hawaii Revised Statutes, if the Hawaii Housing Finance and Development Corporation does not exercise its option to repurchase the real property.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; and Hawaii Housing Finance and Development Corporation.

Your Committee finds that Act 159 allows qualified non-profit housing trusts to utilize the Hawaii Housing Finance and Development Corporation's buyback option on affordable for-sale homes and condominium units resold by their original owner-occupants in situations when the Corporation decides not to repurchase the property. According to the Corporation, since the enactment of Act 159, the Corporation found that some of the Corporation's projects may not be covered by the existing grandfather provision. This measure excludes from the application of Act 159 any project developed or sold by the Corporation prior to the enactment of Act 159.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2328, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2328, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 3000 Housing on H.B. No. 2330

The purpose and intent of this measure is to:

- (1) Extend the certification requirements for an exemption from the general excise tax for certain affordable rental housing projects from June 30, 2022, to June 30, 2026; and
- (2) Amend the certification requirements for an exemption from the general excise tax for those affordable rental housing projects by:
 - (A) Applying the exemption to only newly constructed or substantially rehabilitated affordable rental housing projects;
 - (B) Repealing the requirement that the exemption apply to contracting only and repealing the per annum cap of \$7,000,000; and
 - (C) Conditioning certification upon the project owners not refusing to lease units in the projects to qualified applicants solely because they hold a voucher or certificate of eligibility under the Section 8 Housing Choice Voucher Program.

Your Committee received testimony in support of this measure from the Office of the Governor; Department of Business, Economic Development, and Tourism; Department of Taxation; Hawaii Housing Finance and Development Corporation; Hawaii Public Housing Authority; Hawai'i Construction Alliance; Pacific Resource Partnership; Hawaii Women's Coalition; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Hawaii Regional Council of Carpenters; and Hawaii Rental Housing Coalition. Your Committee received comments on this measure from the Office of Hawaiian Affairs and Tax Foundation of Hawaii.

Your Committee finds that the Special Action Team on Affordable Rental Housing has determined that additional incentives are needed to spur rental housing development to meet housing demands. Under existing law, the Hawaii Housing Finance and Development Corporation is authorized to certify that a housing project is entitled to an exemption from the general excise tax. Only after receiving this certification can a taxpayer claim the tax exemption. This measure provides incentives for developers to immediately start their housing developments to take advantage of the exemption from the general excise tax before the exemption sunsets. Furthermore, by requiring project owners to accept section 8 Housing Choice Vouchers as a condition of certification, this measure will increase the use of the Section 8 program statewide.

Written testimony submitted by the Office of Hawaiian Affairs indicates that half of the projected residential demand for 65,000 more housing units by 2025 is for units at or below eighty percent of the area median income. Thus, the Office of Hawaiian Affairs suggested an additional requirement for the certification for an exemption from the general excise tax to better serve the affordable housing needs of Native Hawaiians and Hawaii residents.

Accordingly, your Committee has amended this measure by:

- (1) Adopting the language suggested by the Office of Hawaiian Affairs, which conditions the certification for an exemption from the general excise tax upon the total weighted average of all units provided in an approved and certified project being no more than one hundred percent of the area median family income; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes its concerns regarding the potential adverse impacts on project feasibility and believes that this additional requirement merits further discussion by your Committee on Ways and Means.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2330, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2330, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 3001 Housing on H.B. No. 2332

The purpose and intent of this measure is to:

- (1) Specify that certain provisions of the Internal Revenue Code related to at-risk rules and deductions and to passive activity loss do not apply with respect to claims for the state low-income housing tax credit; and
- (2) Caps the state low-income housing tax credit at fifty percent of the federal low-income housing tax credit.

Your Committee received testimony in support of this measure from the Office of the Governor; Department of Business, Economic Development, and Tourism; Department of Taxation; Hawaii Housing Finance and Development Corporation; InState Partners; and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that under existing law, the state low-income housing tax credit is difficult to use for Hawaii taxpayers other than large corporations or financial institutions. As a result, this lowers the demand and equity that can be generated for each dollar of this tax credit that is issued.

Your Committee further finds that Act 129, Session Laws of Hawaii 2016, addressed an aspect of this issue by accelerating the low-income housing tax credit from ten to five years. This acceleration makes the tax credit available to smaller taxpayers who are better able to forecast their income tax liability over a five-year, rather than ten-year, span. This measure builds on the incentives provided under Act 129, Session Laws of Hawaii 2016, by eliminating the applicability of the at-risk and passive activity loss rules to the low-income housing tax credit. This will allow affordable rental housing developers to decouple the tax credit from an ownership share in affordable rental projects being financed, thereby allowing any Hawaii taxpayer with income tax liability to use the low-income housing tax credit.

Your Committee has amended this measure by:

- (1) Adding language to clarify that the amendments made to the low-income housing tax credit will not be repealed when section 235-110.8, Hawaii Revised Statutes, is reenacted on December 31, 2021, pursuant to section 4 of Act 129, Session Laws of Hawaii 2016; and
- (2) Making other technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2332, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2332, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 3002 Housing on H.B. No. 2703

The purpose and intent of this measure is to:

- (1) Allocate a portion of the conveyance tax revenues to the rental assistance revolving fund to be used to subsidize rents for persons who meet certain income requirements;
- (2) Increase the income tax credit for low-income household renters to an unspecified amount; and
- (3) Convert the state earned income tax credit into a refundable tax credit and change the amount of the credit to an unspecified percentage of the federal earned income tax credit.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Women's Caucus of the Democratic Party of Hawai'i, Hawaii Appleseed Center for Law & Economic Justice, League of Women Voters of Hawaii, LGBT Caucus of the Democratic Party of Hawai'i, Catholic Charities Hawai'i, Americans for Democratic Action Hawai'i, IMU Alliance, Hawai'i Alliance for Community-Based Economic Alliance, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and three individuals. Your Committee received testimony in opposition to this measure from the Hawai'i Association of REALTORS and one individual. Your Committee received comments on this measure from the Department of Taxation, Hawaii Housing Finance and Development Corporation, and Tax Foundation of Hawaii.

Your Committee finds that affordable housing is a serious concern for many Hawaii residents. As the population of the State continues to grow, the State must develop innovative means of ensuring that residents are able to find and pay for housing. This measure provides additional mechanisms for the State to provide affordable housing to meet the housing needs of the State and tax incentives for Hawaii residents to obtain and maintain housing.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2703, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2703, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 3003 Housing on H.B. No. 2744

The purpose and intent of this measure is to appropriate funds to the Hawaii Public Housing Authority for the state rent supplement program.

Your Committee received testimony in support of this measure from the Governor's Coordinator on Homelessness, Hawaii Public Housing Authority, Catholic Charities Hawai'i, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the state rent supplement program has proven to be effective in securing and maintaining housing for working individuals, senior or disabled individuals, and families who are homeless. The state rent supplement program provides a relatively shallow, but sustained, rental subsidy to enable vulnerable households or those at imminent risk of homelessness to close the rental affordability gap, maintain housing, and achieve self-sufficiency. This measure provides additional rent supplement subsidies to eligible individuals and families.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2744, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2744, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 3004 Housing on H.B. No. 2745

The purpose and intent of this measure is to:

- (1) Expand the rental assistance program by increasing the minimum percentage of affordable units a rental housing project is required to maintain for eligible tenants from twenty percent to thirty percent; and
- (2) Appropriate funds to be deposited into the rental assistance revolving fund to support new rental assistance program contracts.

Your Committee received testimony in support of this measure from the Governor's Coordinator on Homelessness, Hawaii Housing Finance and Development Corporation, Catholic Charities Hawai'i, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and three individuals. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that homelessness remains one of the most pressing challenges facing Hawaii, and the State has adopted a comprehensive framework to address homelessness. In particular, the State has worked together with the Legislature and other stakeholders to increase resources for permanent housing programs. For example, the rental assistance program provides qualified owners with monthly rental assistance subsidies to assist eligible tenants with income at or below eighty percent of the area median

income who live in rental housing developments. This measure will increase the number of eligible projects and provide an infusion of funds into the rental assistance revolving fund to expand the rental assistance program.

Your Committee has amended this measure by:

- (1) Adopting suggested language from Catholic Charities Hawai'i that decreases the qualifying maximum income threshold from eighty percent to thirty percent of the area median income for a family or individual to be an eligible tenant under the rental assistance program;
- (2) Clarifying that the intent of this measure is not to jeopardize the receipt of any federal aid nor to impair any existing federal obligation of the State or any agency thereof and therefore avoid any potential fiscal impact on the program or potential implications on federal funding and obligations; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that lowering the qualifying area median income percentage will increase the number of eligible tenants under the rental assistance program; however, your Committee believes that the potential fiscal impact on the program and potential implications on federal funding and obligations merit further discussion by your Committee on Ways and Means.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2745, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2745, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 3005 (Joint) Higher Education and Agriculture and Environment on H.B. No. 474

The purpose and intent of this measure is to appropriate funds to the University of Hawai'i at Hilo for testing, studies, outreach, and other activities related to the prevention and eradication of rat lungworm disease.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, University of Hawai'i System, Department of Agriculture, County of Hawai'i Office of the Mayor, two members of the Hawai'i County Council, Hilo Medical Center, Hawai'i Farm to School Hui, Hawai'i Farm Bureau, Big Island Invasive Species Committee, Hawai'i Island Economic Development Board, and numerous individuals.

Your Committees find that the Department of Health has reported over seventy cases of rat lungworm disease caused by *Angiostrongylus cantonensis* from 2001 to 2014. There were many more cases in 2017, including at least eleven on Hawai'i Island, six on Maui, and one on Oahu. The disease has claimed lives and caused crippling chronic disability. The cost of treatment for one severe case can exceed \$1,000,000.

Your Committees further find that although rat lungworm disease is recognized as a serious threat to human health and agriculture in Hawai'i, sufficient funding has not been available to support the broad level of education, research, and control activities needed to mitigate this threat.

Your Committees have amended this measure by:

- (1) Inserting an appropriation amount of \$450,000 to the University of Hawai'i at Hilo for testing, studies, outreach, and other activities related to the prevention and eradication of rat lungworm disease;
- (2) Inserting an effective date of July 1, 2018; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 474, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 474, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Higher Education: Ayes, 4. Noes, none. Excused, 1 (Chang).
Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 3006 Higher Education on H.B. No. 1968

The purpose and intent of this measure is to appropriate funds to the University of Hawai'i College of Tropical Agriculture and Human Resources cooperative extension service for four full-time equivalent (4.0 FTE) ornamental plant extension agents.

Your Committee received testimony in support of this measure from the University of Hawai'i System, Department of Agriculture, Hawai'i Farm Bureau, Hawai'i Tropical Flower Council, Orchid Growers of Hawai'i, Hawai'i Floriculture and Nursery Association, Landscape Industry Council of Hawai'i, Coordinating Group on Alien Pest Species, Ag Matters, Performance Landscapes, Maui County Farm Bureau, Hawai'i Crop Improvement Association, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and numerous individuals.

Your Committee finds that the University of Hawai'i College of Tropical Agriculture and Human Resources is in critical need of personnel for its cooperative extension service to improve and strengthen Hawai'i's sustainability in agriculture through educational programs. The College of Tropical Agriculture and Human Resources houses a cooperative extension service, which partners with federal, state, and county governments to provide science-based information and education programs in agriculture, natural resources,

and human resources. The cooperative extension service also provides valuable tools accessible to the public to strengthen communities and sustain Hawaii's agricultural economy.

Your Committee further finds that due to a decrease in extension agents who serve the various counties, many of the community services that the extension service offers have been cut, most importantly ornamental plant services. This measure addresses the budgetary shortfalls experienced by the University of Hawai'i College of Tropical Agriculture and Human Resources cooperative extension service by appropriating funds for additional full-time equivalent ornamental plant extension agent positions.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1968, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1968, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Chang).

SCRep. 3007 Higher Education on H.B. No. 2005

The purpose and intent of this measure is to authorize the University of Hawai'i to issue revenue bonds for the purpose of financing the construction and maintenance of qualifying capital improvement projects.

Your Committee received testimony in support of this measure from the University of Hawai'i System, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and University of Hawai'i Alumni Association.

Your Committee finds that university revenue bonds have been utilized to finance the construction of new projects and the renovation and major repair of existing facilities at the University of Hawai'i. University projects have included faculty and student housing; classroom, laboratory, and office space; student support, research, athletic, and utility facilities; libraries; and parking structures. The availability of revenue bond authority would be a strategic revenue source and a supplement to limited general obligation funding and only used for financing projects that are revenue-generating or financially appropriate for the University of Hawai'i.

Your Committee has amended this measure by:

- (1) Specifying that any unexpended and unencumbered balance of the appropriation as of the close of business on June 30, 2020, instead of June 30, 2021, shall lapse; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2005, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2005, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Chang).

SCRep. 3008 (Joint) Higher Education and Economic Development, Tourism, and Technology on H.B. No. 2172

The purpose and intent of this measure is to:

- (1) Establish an Office of Strategic Partnerships and Development to specifically analyze, evaluate, recommend, coordinate, oversee, and manage public-private partnerships that benefit the University of Hawai'i;
- (2) Authorize the Board of Regents of the University of Hawai'i to delegate to the President and Vice President of Budget and Finance of the University of Hawai'i to conduct activities and enter into business relationships that benefit the university's interests, under certain conditions; and
- (3) Appropriate funds for the hiring of staff to develop and manage the Office of Strategic Partnerships and Development.

Your Committees received testimony in support of this measure from the University of Hawai'i System, Ulupono Initiative, Ho'omanapono Political Action Committee, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received testimony in opposition to this measure from the United Public Workers, AFSCME, Local 646, AFL-CIO. Your Committees received comments on this measure from the Department of Accounting and General Services.

Your Committees find that public-private partnerships are a contractual or cooperative arrangement between one or more public agencies and private-sector entities, typically of a long-term nature, in which public and private entities collaboratively partner on the components of projects and services, sharing responsibilities to design, construct, finance, manage, operate, and maintain a project, facility, or program. The goal of public-private partnerships is to capitalize on the strengths and assets of each sector, public and private, to help deliver a project or service more efficiently and effectively for the benefit of the general public. Allowing the University of Hawai'i to enter into public-private partnerships and creating an Office of Strategic Partnerships and Development to specifically coordinate and manage public-private partnerships would benefit the university and its students, as well as the State as a whole.

Your Committees have amended this measure by:

- (1) Clarifying that any public-private partnerships that are coordinated and managed by the Office of Strategic Partnerships and Development shall be located on lands controlled by the University of Hawai'i;

- (2) Removing in the Hawaii Revised Statutes, reference to the Board of Regents of the University of Hawaii's having exclusive jurisdiction over the internal structure, management, and operation of the University of Hawaii'i;
- (3) Deleting language that would have authorized the Board of Regents of the University of Hawaii'i to delegate to the President and Vice President of Budget and Finance of the University of Hawaii'i to conduct activities and enter into business relationships that benefit the university's interests, under certain conditions;
- (4) Inserting language that establishes a five-year University of Hawaii'i public-private partnership pilot project to allow the university to enter into public-private partnerships, under certain conditions; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Economic Development, Tourism, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2172, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2172, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education: Ayes, 4. Noes, none. Excused, 1 (Chang).

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Taniguchi).

SCRep. 3009 Higher Education on H.B. No. 2300

The purpose and intent of this measure is to require the University of Hawaii'i to submit a report to the Legislature within thirty days of each appropriation transfer between programs.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the University of Hawaii'i System.

Your Committee finds that, unlike most state agencies, the University of Hawaii'i has the authority to transfer appropriated funds and positions among programs and between fiscal quarters without legislative authorization. Although the University of Hawaii'i is currently required to account for these transfers in quarterly and fiscal year-end reports to the Legislature, your Committee finds that a thirty-day reporting requirement would make the financial flexibility enjoyed by the University of Hawaii'i more transparent and accountable.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2300, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Kidani). Noes, none. Excused, 1 (Chang).

SCRep. 3010 Higher Education on H.B. No. 2501

The purpose and intent of this measure is to establish and appropriate funds for the University of Hawaii'i community college promise program to provide scholarships for the unmet direct cost needs of qualified students enrolled at any community college campus of the University of Hawaii'i System.

Your Committee received testimony in support of this measure from the University of Hawaii'i System, Department of Education, Kamehameha Schools, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii'i, and three individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that an educated labor force and engaged citizenry are essential in today's global, knowledge-based economy. Across the nation, states have set ambitious goals to boost college completion rates. The University of Hawaii's graduation initiative is a systemwide strategic initiative endorsed by the University of Hawaii'i Board of Regents with a goal to increase the educational capital of the State by increasing participation in, and completion of, college by students, particularly Native Hawaiians, low-income students, and those from underserved regions and populations, and preparing them for success in the workforce and their communities.

Your Committee further finds that despite Hawaii's overall high affordability ranking, attending college is a large expense for families earning less than \$30,000 annually and, historically, the State provides minimal need-based aid to students attending public institutions. However, monies allocated for the University of Hawaii's community college promise program in the 2017 state budget helped provide scholarship opportunities to one thousand community college students. This success demonstrates that the permanent establishment of the program is warranted at the community college level.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2501, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2501, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3011 Commerce, Consumer Protection, and Health on H.B. No. 2391

The purpose and intent of this measure is to grant the Administrator of the Department of Public Safety's Narcotics Enforcement Division the discretion to disclose confidential investigative information from the Electronic Prescription Accountability System, more

commonly known as the Prescription Drug Monitoring Program or PDMP, to authorized employees of the Department of Health's Alcohol and Drug Abuse Division and Emergency Medical Services and Injury Prevention System Branch.

Your Committee received testimony in support of this measure from the Department of Health, Department of Public Safety, Drug Policy Forum of Hawaii, and Hawaii Substance Abuse Coalition.

Your Committee finds that opioid addiction and abuse are a growing problem, with nearly seventy-five Hawaii residents dying from prescription opioid overdose each year. The PDMP is a useful resource that provides a picture of opioid prescribing and pharmacy dispensing practices and patterns in the State. Your Committee finds that the increased access to the PDMP proposed by this measure will better inform the Department of Health's Strategic Plan with preventing opioid addiction and overdose and will fulfill an objective of the Hawaii Opioid Action Plan developed by the Hawaii Opioid and Substance Misuse Initiative – a wide range of legislators, public officials, law enforcement and first responders, health care professionals, and citizens convened to develop and implement a plan to reduce prescription opioid abuse and deaths.

Your Committee has amended this measure by changing its effective date to July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2391, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2391, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Chang).

SCRep. 3012 Commerce, Consumer Protection, and Health on H.B. No. 2118

The purpose and intent of this measure is to allow a condominium board to borrow money for the installation of equipment for the health and safety of residents, in the event of a government mandate to install such equipment, without the consent of owners where at least twenty percent of owners reside outside of the United States.

Your Committee received testimony in support of this measure from the State Fire Council, Honolulu Fire Department, Oahu County Committee on Legislative Priorities Committee of the Democratic Party of Hawai'i, Hawaii Council of Associations of Apartment Owners, Palehua Townhouse Association; and two individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from Hui 'Oia'i'o.

Your Committee finds that the devastating Marco Polo condominium fire in June 2017 highlighted the dangers of fires in buildings without fire sprinklers. Your Committee notes that automatic fire sprinkler systems have been proven to save lives and property and, when installed and properly maintained, can substantially reduce death rates and property loss.

Your Committee further finds that in the aftermath of the Marco Polo fire, the Honolulu City Council established the Residential Fire Safety Advisory Committee to recommend changes to City ordinances relating to the fire code and suggest ways that high-rise residential buildings could be made safer for residents and first responders. According to testimony received by your Committee, one of the challenges faced by the Residential Fire Safety Advisory Committee was how to assist condominium associations who wished to borrow funds necessary for fire sprinkler retrofitting. Under existing state law, borrowing such funds requires the consent of fifty percent of the ownership interest, which can be a challenging threshold to meet, particularly when many owners of a condominium association reside outside the United States.

Your Committee notes that this measure does not lower the threshold for borrowing money for any type of expenditure associated with the common elements of a condominium merely because twenty percent of the condominium's owners reside outside the country. Rather, this measure establishes a narrowly-tailored exception to the fifty percent requirement by specifying that, in the event of a government mandate and where at least twenty percent of condominium owners reside outside of the country, the board of directors of a condominium association shall not be required to obtain the consent of the owners prior to borrowing money to pay for the government-mandated installation of equipment or improvements to the common elements of the condominium for the health and safety of residents.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2018; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2118, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2118, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 3013 Commerce, Consumer Protection, and Health on H.B. No. 1943

The purpose and intent of this measure is to establish two permanent full-time equivalent positions within the Office of Language Access to assist state agencies and state-funded agencies in implementing Hawaii's language access law.

Your Committee received testimony in support of this measure from the Judiciary, Office of Language Access, Hawaii Civil Rights Commission, State Health Planning and Development Agency, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Volunteer Legal Services Hawaii, Filipina Advocacy Network, Catholic Charities Hawaii, Tinalak Filipino Education Council, Hawaii Filipino Lawyers Association, Hawaii Interpreter Action Network, and three individuals.

Your Committee finds that the Office of Language Access provides state agencies with technical assistance including needs assessment, help with language access plans, training, work with translators and interpreters, and data collection. Your Committee further finds that the Office of Language Access is underfunded and understaffed to the point of being unable to complete its language access plans and unable to hire staff for the Statewide Language Access Resource Center, denying meaningful access to residents limited in English proficiency. Your Committee finds that Hawaii is one of the most culturally diverse states and has one of the highest proportions of non-English speakers in the nation, with over twelve percent speaking English "less than very well". Your Committee finds that the funds appropriated and positions created by this measure will allow the Office of Language Access to provide a full level of support to state agencies, fulfill its statutory duties, and provide genuine access to state services to many residents.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1943, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1943, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Chang).

SCRep. 3014 Commerce, Consumer Protection, and Health on H.B. No. 1624

The purpose and intent of this measure is to delay the implementation of the producer licensing requirements amended by Act 152, Session Laws of Hawaii 2017, until January 1, 2020.

Your Committee received testimony in support of this measure from the Hawaii Insurers Council and National Association of Insurance and Financial Advisors – Hawaii. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that, among other things, Act 152, Session Laws of Hawaii 2017 (Act 152), conforms the State's producer licensing requirements to the National Association of Insurance Commissioners' Producer Licensing Model Act by eliminating producer-to-producer appointments. Your Committee further finds that Hawaii is the only state in the country with producer-to-producer appointments. The repeal of this appointment process is a major change in the way insurance agents are and have been contracted, as it means that only insurers will be able to appoint individual producers. According to testimony received by your Committee, as of June 30, 2017, there were seven thousand licensed resident producers in the State, but it is unknown how many contracts between a producer and an insurer must be re-executed in light of Act 152's producer licensing requirements. This measure therefore delays the implementation requirements for producer licensing required by Act 152, which will provide insurers with ample time to initiate the new producer appointments.

Your Committee has amended this measure by changing its effective date to July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1624, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1624, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 3015 Commerce, Consumer Protection, and Health on H.B. No. 2169

The purpose and intent of this measure is to appropriate funds to the Department of Health to support youth suicide early intervention, prevention, and education initiatives in the County of Maui, particularly for persons between the ages of ten and twenty-four.

Your Committee received testimony in support of this measure from the Maui County Commission on Children and Youth, Hawaii Family Forum, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii Catholic Conference, Abilities Unlimited, and three individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that between 2010 and 2016, there were one hundred fifty suicides among Hawaii residents ages ten to twenty-four, making suicide the leading cause of injury leading to death among this age group. Testimony received by your Committee indicates that the County of Maui has the highest incidence of youth suicide attempts in the State, highlighting the urgent need for resources for early intervention, prevention, and education initiatives where and for whom they are needed most.

Your Committee notes the concerns of the Department of Health that this measure should be expanded in scope to include the Counties of Hawaii and Kauai, but believes that at this time this measure should focus on where the problem is worst and can be expanded later as needed.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2169, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Chang).

SCRep. 3016 (Joint) Public Safety, Intergovernmental, and Military Affairs and Agriculture and Environment on H.B. No. 2043

The purpose and intent of this measure is to authorize the counties to:

- (1) Implement a sewer monitoring program that includes county inspections of sewer laterals connected to county sewers located on public or private property to detect saltwater infiltration, after the property owner is provided written notice; and
- (2) Compel private property owners to inspect sewer laterals for saltwater infiltration and perform repairs as necessary.

Your Committees received testimony in support of this measure from the Department of Health, Department of Environmental Management for the County of Hawaii, Department of Environmental Services for the City and County of Honolulu, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that proper maintenance of wastewater facilities is essential for maintaining public health and welfare. Your Committees also find that the maintenance of wastewater facilities is made more difficult by infiltration from saltwater and other contaminants, leaking lateral lines, and inflow. Moreover, your Committees find that the counties' ability to address these problems is hindered by the lack of explicit statutory authority to inspect and require necessary repairs of lateral sewer lines on private property that are connected to county sewers. Accordingly, your Committees find that in order for the counties to properly maintain wastewater facilities, the counties need appropriate authority to conduct inspections of lateral sewer lines connecting to county sewers, including those lateral lines on private property, and to compel private property owners to make any necessary repairs to stop leaking lateral lines, and prevent infiltration and inflow.

Your Committees have amended this measure by:

- (1) Clarifying that the sewer monitoring program includes inspections of lateral sewer lines to detect leaks from laterals, infiltration, and inflow;
- (2) Providing definitions for "infiltration" and "inflow";
- (3) Changing the effective date to upon its approval; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2043, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2043, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Wakai).

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

SCRep. 3017 (Joint) Public Safety, Intergovernmental, and Military Affairs and Labor on H.B. No. 2071

The purpose and intent of this measure is to:

- (1) Establish a law enforcement standards board for the certification of county police officers, state public safety officers, and employees of the Departments of Transportation, Land and Natural Resources, Taxation, and Attorney General with police powers;
- (2) Prohibit employment of non-certified law enforcement officers beginning on July 1, 2019;
- (3) Establish the law enforcement standards board special fund; and
- (4) Appropriate funds to defray the expenses of the Board.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Public Safety, Department of Transportation, Young Progressives Demanding Action, and four individuals. Your Committees received testimony in opposition to this measure from the Maui Police Department, Hawaii Police Department, and one individual. Your Committees received comments on this measure from the Department of the Attorney General, Department of Budget and Finance, and one individual.

Your Committees find that proper regulation and oversight over law enforcement officers are critical to maintaining public health, safety, and welfare. Hawaii is the only state in the country without any state-level regulation of the police, as regulation is left to the counties. Hawaii also does not establish minimum standards required to be a police officer and does not have any procedure for revoking a police officer's certification for serious misconduct. Your Committees find that the State needs to enact a law that certifies law enforcement officers to ensure the highest standards of professionalism, uniformity of standards, and accountability throughout our islands. Accordingly, your Committees find that a law enforcement standards board for the certification of county police officers, state public safety officers, and employees of the Departments of Transportation, Land and Natural Resources, Attorney General, and Taxation with police powers should be established to ensure the proper oversight of law enforcement officers across the State.

Your Committees also note that while several executive departments, including the Department of Public Safety and Department of Transportation, have offered testimony in support of the measure, the Department of the Attorney General, the State's chief law enforcement agency, has not indicated whether it believes that the proposed certification board is necessary or proper for the State. Accordingly, your Committees request that if your Committees on Judiciary and Ways and Means decide to hear this measure, that the Department of the Attorney General state its position on the proposal and submit any proposed amendments that the Department believes would alleviate its concerns with the proposal to your Committees on Judiciary and Ways and Means.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2075, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2071, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2071, H.D. 2, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

Labor: Ayes, 3. Noes, none. Excused, 2 (Chang, English).

SCRep. 2018 (Joint) Public Safety, Intergovernmental, and Military Affairs and Agriculture and Environment on H.B. No. 2099

The purpose and intent of this measure is to require the Department of Agriculture to conduct a study on the feasibility of authorizing the Department to establish and designate ag-tech zones within the City and County of Honolulu and appropriate funds for the feasibility study.

Your Committees received testimony in support of this measure from the University of Hawai'i System, Hawaii State Teachers Association, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual. Your Committees received comments on this measure from the Department of Agriculture.

Your Committees find that increasing local food production is essential for the future sustainability of the State. Approximately ninety percent of all food in the State is imported. Your Committees find that it essential for the State to explore more effective and environmentally responsible ways to increase food production to feed its residents. Moreover, your Committees find that agricultural technology, or ag-tech, should be at the forefront of the effort to revitalize the agricultural sector of the State and develop that industry's potential to be a major contributor to state revenues. Your Committees further find that the State must entertain alternatives to its current agricultural operations by bringing in new ideas for the use of land and practicing responsible land stewardship.

Additionally, your Committees note the suggestion presented in testimony by the Department of Agriculture that the Department may be able to implement this measure in a timely manner if the measure specified certain geographic areas on which the proposed feasibility study should focus.

Accordingly, your Committees have amended this measure by:

- (1) Adding specific geographic areas within the City and County of Honolulu on which the proposed feasibility study should focus;
- (2) Adding the Hawaii Community Development Authority and the City and County of Honolulu as agencies from which the Department of Agriculture should seek assistance to conduct the proposed feasibility study;
- (3) Changing the effective date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2099, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2099, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Wakai).

Agriculture and Environment: Ayes, 4; Ayes with Reservations (Rhoads). Noes, none. Excused, 1 (Ruderman).

SCRep. 2019 (Joint) Public Safety, Intergovernmental, and Military Affairs and Labor on H.B. No. 2454

The purpose and intent of this measure is to establish a three-year Correctional Industries Former Inmate Employment Pilot Project within the Department of Public Safety to assist former inmates as they reenter into society.

Your Committees received testimony in support of this measure from the Department of Public Safety, Office of Hawaiian Affairs, Community Alliance on Prisons, Ho'omanapono Political Action Committee, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Young Progressives Demanding Action, and four individuals.

Your Committees find that successfully reintegrating former inmates back into society is essential for promoting and protecting public welfare. Your Committees also find that former inmates who are gainfully employed are less likely to re-offend and have a greater chance of becoming upstanding citizens. Your Committees further find that ninety-five percent of inmates will eventually be released from prison and that it is in the best interest of the State to facilitate the reentry of former inmates into society by providing opportunities for gainful employment. The Hawaii Correctional Industries Program employs several hundred inmates every year in print, furniture, canteen, and sewing shops that are located within correctional facilities as well as through outside work-lines that clean and maintain highways and byways. Your Committees find that this successful program could provide even more opportunities for former inmates as they transition back into society. Accordingly, this measure establishes a three-year pilot project within the Department of Public Safety to provide full-time equivalent employment in the Hawaii Correctional Industries Program to up to five former inmates who meet eligibility criteria.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2454, H.D. 1, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

Labor: Ayes, 3. Noes, none. Excused, 2 (Chang, English).

SCRep. 3020 (Joint) Public Safety, Intergovernmental, and Military Affairs and Human Services on H.B. No. 2144

The purpose and intent of this measure is to require the Department of Public Safety to inform inmates who have one year or less remaining before their parole or release date of the availability of assistance in securing or verifying Medicaid eligibility.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Community Alliance on Prisons, and one individual. Your Committees received comments on this measure from the Department of Human Services and Department of Public Safety.

Your Committees find that helping inmates transition back into everyday life is a vital component of successful inmate rehabilitation. One of the problems inmates encounter after an extended period of incarceration is a lack of access to appropriate health care coverage. Testimony submitted by the Department of Human Services indicates that Medicaid does not allow inmates to remain enrolled during incarceration. Instead, the Department's Med-Quest Division and the Department of Public Safety have executed a data-share agreement to allow for file transfers of incarceration and release dates for individuals so that the Medicaid eligibility determination process can begin just prior to release of inmates, thereby helping to facilitate a successful re-entry into the community by the inmate.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2144, H.D. 1, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

SCRep. 3021 Education on H.B. No. 1882

The purpose and intent of this measure is to appropriate funds for laptop computers or tablets to be used by teachers and students for digital teaching and learning.

Your Committee received testimony in support of this measure from the Department of Education, State Public Charter School Commission, CompTIA, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual.

Your Committee finds that schools have a responsibility for students' success in a globally competitive world. A twenty-first century education must prepare students for work in a world that integrates technology and new media communication. During the 2013-2014 school year, the Legislature appropriated funds to the Department of Education to implement the access learning pilot program that integrated laptop computers into eight schools. A study of the pilot program by the University of Hawaii West Oahu found that teachers, students, and parents believed that classroom technology significantly enhanced the quality of public education in Hawaii. This measure appropriates funds to ensure that students have fair access to technology in all public schools.

Your Committee further finds that quality after-school programs inspire and motivate children to learn, support children's social and emotional growth, and help raise academic achievement and that funding for after-school programs is critical for intermediate and middle school students, especially for schools that have a high number of students of Native Hawaiian ancestry, who are being arrested at a higher rate than any other ethnic background. By funding after-school programs at intermediate and middle schools that have a high number of Native Hawaiian students, students will have access to expanded learning opportunities through a range of enrichment and learning activities in various subjects, such as the arts, language, technology, and civic engagement.

Your Committee has amended this measure by:

- (1) Inserting language from S.B. No. 2083, S.D. 1, as a part II of the measure to appropriate funds for after-school programs at Kalaniana'ole Elementary and Intermediate School, Kapaa Middle School, Konawaena Middle School, and Waimea Canyon Middle School; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1882, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1882, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

SCRep. 3022 Education on H.B. No. 2162

The purpose and intent of this measure is to:

- (1) Clarify that funds for teacher incentives, bonuses, and other compensation required by statute or collective bargaining shall not be paid out of a charter school's facilities funding or per-pupil funds;
- (2) Beginning with fiscal year 2018-2019, require that the funding request for teacher incentives, bonuses, and other compensation required by statute or collective bargaining shall be separate line items in the budget; and

- (3) Appropriate funds for teacher bonuses for hard-to-fill placement incentives and National Board certified teacher incentives for charter school teachers.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, State Public Charter School Commission, Hawai'i Teacher Standards Board, Kualapu'u School Public Conversion Charter, Hawaii State Teachers Association, Hawaii Public Charter Schools Network, and one individual. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that a major component in the success of public charter schools is the dedication of their administrators, staff, and teachers in creating an environment of educational excellence. Similar to their counterparts within public schools established and maintained by the Department of Education, teachers at public charter schools who have earned National Board certification or committed to work at schools in a location determined by the Department of Education as hard-to-fill are entitled to receive incentive bonuses. However, public charter schools have had to pay incentive bonuses out of each individual school's per-pupil funds, a cost not calculated into the monies provided each year by the State. This measure ensures that public charter school teachers are given the opportunity for incentive bonuses without impacting public charter school budgets.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2162, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

SCRep. 3023 Education on H.B. No. 2352

The purpose and intent of this measure is to:

- (1) Increase membership on the Hawaii Teacher Standards Board to include the chairperson of the Native Hawaiian Education Council and a non-voting public university student teacher; and
- (2) Clarify that a permit is required for non-licensed teachers serving in public schools.

Your Committee received testimony in support of this measure from the Department of Education, University of Hawai'i System, Office of Hawaiian Affairs, Hawai'i Teacher Standards Board, Hawai'i Public Charter School Network, Native Hawaiian Education Council, Kamehameha Schools, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and numerous individuals.

Your Committee finds that the addition of a representative from the Native Hawaiian Education Council to the Hawaii Teachers Standards Board will provide insight to teacher preparation and licensure policies that will support Hawaiian education programs incorporating the study of Hawaiian culture, history, and language. Additionally, the inclusion of a non-voting teacher candidate member to the Hawaii Teachers Standards Board will provide feedback from emerging teachers to improve preparation program policies and procedures.

Your Committee further finds that clarifying the existing requirements that public school teachers must have to be eligible to serve as a public school teacher ensures that children are receiving quality education by trained and certified professionals.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2352, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2352, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

SCRep. 3024 Ways and Means on H.B. No. 1604

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and to make the constitutionally-required findings that the bond issuance will not cause the State debt limit to be exceeded.

Your Committee received testimony in support of this measure from the Department of Budget and Finance.

Your Committee finds that the proceeds generated from the general obligation bonds authorized to be issued under this measure will be used to finance the fulfillment of important state objectives.

Your Committee has amended this measure by:

- (1) Correcting discrepancies in the quoted text of the Hawaii State Constitution; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1604, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1604, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Keith-Agaran, Shimabukuro).

SCRep. 3025 Ways and Means on H.B. No. 2395

The purpose and intent of this measure is to authorize the Department of Taxation to require certain taxpayers to file tax returns electronically.

Your Committee received testimony in support of this measure from the Department of Taxation.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the electronic filing of tax returns increases the efficiency of tax administration. This measure authorizes the Department of Taxation to require certain taxpayers to file their returns electronically. Your Committee notes that the measure does not authorize the Department of Taxation to require individual taxpayers to electronically file income tax returns.

Your Committee has amended this measure by:

- (1) Clarifying that, as a prerequisite to requiring a taxpayer to electronically file a tax return, the Department of Taxation shall provide:
 - (A) An electronic filing option to the taxpayer; and
 - (B) No less than ninety days prior written notice to the general public of the Department's intention to require electronic filing;
- (2) Correcting the numbering of two sections of the measure; and
- (3) Making a technical nonsubstantive amendment for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2395, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2395, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Keith-Agaran, Shimabukuro).

SCRep. 3026 Ways and Means on H.B. No. 2396

The purpose and intent of this measure is to increase funding for the Special Enforcement Section of the Department of Taxation to investigate fraud and noncompliance, especially in relation to the transient accommodations tax.

More specifically, the measure increases the annual deposit ceiling of the tax administration special fund from \$700,000 to \$1,000,000.

Your Committee received testimony in support of this measure from the Department of Taxation.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the Special Enforcement Section plays a major role in the Department of Taxation's efforts to encourage compliance with Hawaii's tax laws. Your Committee believes that increasing the Special Enforcement Section's operational budget and expanding its workforce would enable the Special Enforcement Section to enhance its tax enforcement functions.

Your Committee has amended this measure by:

- (1) Increasing the annual deposit ceiling of the tax administration special fund to \$2,000,000;
- (2) Authorizing the use of tax administration special fund moneys to fund support staff positions in the Special Enforcement Section of the Department of Taxation;
- (3) Authorizing the Department of Taxation to establish five full-time equivalent (5.0 FTE) positions within the Special Enforcement Section; and
- (4) Changing the effective date from July 1, 2030, to July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2396, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2396, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Keith-Agaran, Shimabukuro).

SCRep. 3027 Ways and Means on H.B. No. 2416

The purpose and intent of this measure is to clarify how the use of intangible property is treated under the State's general excise and use tax laws.

Specifically, the measure clarifies that:

- (1) Intangible property used outside the State shall be exempted from the general excise tax; and
- (2) Intangible property acquired from an unlicensed seller and used in the State is subject to the use tax.

Your Committee received testimony in support of this measure from the Department of Taxation.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that this measure will clarify the application of the state general excise and use taxes to intangible property.

Your Committee has amended this measure by clarifying that the use tax does not apply to stocks and bonds.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2416, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2416, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Keith-Agaran, Shimabukuro).

SCRep. 3028 Judiciary on H.B. No. 1646

The purpose and intent of this measure is to provide that when a candidate other than the incumbent is elected to the office of United States Senator as part of Hawaii's congressional delegation, and the incumbent vacates the office prior to the expiration of the incumbent's term, the governor must appoint the member-elect to immediately fill the vacancy.

Your Committee did not receive any testimony on this measure.

Your Committee finds that the United States Congress operates on a seniority system of granting privileges, such as selection of offices and committee assignments, to its members who have served the longest. Greater seniority as compared to other newly-elected Senators will empower members of the Hawaii delegation to the Senate to better represent the interests of Hawaii's citizens. This measure will establish a procedure through which a newly-elected Senator will be automatically appointed to complete the term of an outgoing incumbent if the incumbent resigns between the general election and the end of the incumbent's term.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1646, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1646, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3029 Judiciary on H.B. No. 1667

The purpose and intent of this measure is to make a housekeeping amendment to clarify that eligibility for probation does not apply to drug offenses involving the possession or use of drug paraphernalia for the purpose of making the law governing the probation of drug offenders consistent with Act 72, Session Laws of Hawaii 2017, which decriminalized certain offenses involving the use, possession, and delivery of drug paraphernalia.

Your Committee received testimony in support of this measure from the Judiciary and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that Act 72, Session Laws of Hawaii 2017, decriminalized certain offenses related to the use, possession, and delivery of drug paraphernalia. As a result, statutory language governing probation eligibility for offenders convicted of those offenses is no longer relevant. This measure will increase consistency within the Hawaii Revised Statutes by removing language that no longer has coherent substantive effect.

Your Committee has amended this measure by inserting an effective date of July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1667, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1667, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3030 Judiciary on H.B. No. 1770

The purpose and intent of this measure is to appropriate monies to the Department of the Prosecuting Attorney of the City and County of Honolulu for the career criminal prosecution unit.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Department of the Prosecuting Attorney of the City and County of Honolulu, Department of Prosecuting Attorney for the County of Maui, Office of the Prosecuting Attorney of the County of Hawai'i, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the Legislature established the career criminal prosecution program because it found that a substantial and disproportionate amount of serious crime is committed by a relatively small number of multiple and repeat felony offenders, commonly known as career criminals. By their nature, career criminal cases are often labor intensive and require experienced and well-trained deputy prosecutors to be successfully prosecuted. This measure will provide funding to the career criminal prosecution unit to allow it to continue operating at its current capacity and caseload. Your Committee notes that the original amount requested for this measure was \$493,818.

Your Committee has amended this measure by inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1770, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1770, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3031 Judiciary on H.B. No. 1773

The purpose and intent of this measure is to authorize a judge or magistrate to approve a search warrant based on sworn oral statements or electronic communications.

Your Committee received testimony in support of this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu, Department of the Prosecuting Attorney of the County of Maui, Honolulu Police Department, Hawai'i County Police Department, and Mothers Against Drunk Driving Hawaii.

Your Committee finds that while Rule 41(h) of the Hawaii Rules of Penal Procedure authorizes a judge to issue a search warrant based on a sworn oral statement, corresponding sections of the Hawaii Revised Statutes are unclear in substantiating this authorization. Under sections 803-31 and 803-34, Hawaii Revised Statutes, warrants are specifically required to be in writing, and section 803-33, Hawaii Revised Statutes, requires that a search warrant be supported by a written affidavit made or taken under oath before an officer of the court or a notary public. This discrepancy between the Hawaii Rules of Penal Procedure and the Hawaii Revised Statutes impedes the ability of law enforcement officers to collect evidence and effectively conduct investigations in scenarios in which it is not possible to obtain a written warrant supported by a written affidavit before relevant evidence becomes unavailable. This measure updates chapter 803, Hawaii Revised Statutes, by codifying language and procedures contained in Rule 41(h) of the Hawaii Rules of Penal Procedure.

Your Committee has amended this measure by:

- (1) Clarifying that a prosecutor is required to review an application for a warrant that is based on a sworn statement communicated electronically to the extent reasonably practicable;
- (2) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1773, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1773, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3032 Judiciary on H.B. No. 1774

The purpose and intent of this measure is to:

- (1) Establish standards and procedures for withholding income by employers of persons subject to restitution orders to ensure restitution payments are made; and
- (2) Appropriate monies to the Department of the Attorney General to enhance restitution payment collection.

Your Committee received testimony in support of this measure from the Crime Victim Compensation Commission, Department of the Prosecuting Attorney of the City and County of Honolulu, Sex Abuse Treatment Center, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received testimony in opposition to this measure from the Office of the Public Defender and Community Alliance on Prisons. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that restitution orders are intended to provide a way for victims of crimes who suffer substantial financial losses as a result of crimes committed against them to recover some of their losses such as the value of stolen or damaged property, lost wages, medical expenses, and funeral and burial expenses. Although restitution orders are issued in many criminal cases, they are not strictly enforced and victims are often forced to file civil lawsuits against offenders in an attempt to enforce an order. This measure will establish standards and procedures for withholding income of offenders in order to ensure consistent enforcement of restitution orders and facilitate payment to victims.

Your Committee has amended this measure by:

- (1) Requiring the Department of the Attorney General to disburse withheld restitution payments to a victim within thirty days of receiving the monies from an employer instead of five business days;
- (2) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1774, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1774, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3033 Judiciary on H.B. No. 1850

The purpose and intent of this measure is to clarify that the exemption for parents, guardians, and other persons in loco parentis to the offense of promoting pornography for minors specifically applies to legal guardians.

Your Committee received testimony in support of this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu and Honolulu Police Department.

Your Committee finds that the purpose of this measure is to strengthen the statutory language regarding promoting pornography for minors and to close unintended loopholes therein. For that reason, this measure clarifies that the exemption to the offense for guardians of a minor specifically applies to legal guardians only. Your Committee further finds that removing “other person[s] in loco parentis” from the exemption would further strengthen the language regarding promoting pornography to minors by explicitly limiting the exemption to parents and legal guardians.

Your Committee has amended this measure by:

- (1) Removing “other person[s] in loco parentis” from the exemption to the offense of promoting pornography for minors;
- (2) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1850, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1850, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3034 Judiciary on H.B. No. 1852

The purpose and intent of this measure is to amend the definition of “pornographic for minors” by clarifying that a material or performance is not required to appeal specifically to the minor’s prurient interest in order to be found pornographic for minors.

Your Committee received testimony in support of this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu and Honolulu Police Department.

Your Committee finds that one element of the definition of pornographic material in general is that it appeals to the prurient interest. In some cases regarding material that is pornographic to minors, a minor may be exposed to material before the minor is of sufficient age to have developed prurient interests. This measure will clarify that material that is “pornographic for minors” is not required to appeal specifically to the prurient interest of the minor.

Your Committee has amended this measure by inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1852, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1852, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3035 Judiciary on H.B. No. 1936

The purpose and intent of this measure is to provide that the environmental courts shall not have exclusive, original jurisdiction over any proceeding relating to parking violations under certain laws and administrative rules.

Your Committee received testimony in support of this measure from the Judiciary, Department of Land and Natural Resources, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i.

Your Committee finds that the primary focus of the environmental courts is to ensure the fair, consistent, and effective resolution of cases involving the environment in Hawaii. Your Committee further finds that most of the parking violations at the State’s small boat harbors and state parks do not pose a direct or severe impact to the environment and can be easily and more efficiently processed through the regular district courts or the Traffic Violations Bureau of the First Circuit. This measure will allow the environmental courts to focus on cases within the purview of the court while still exercising jurisdiction over those parking cases that do pose an impact to the environment.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2018; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1936, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1936, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3036 Judiciary on H.B. No. 2033

The purpose and intent of this measure is to authorize service of summons on nonresident property owners for actions involving the property owned by the nonresident through a summons mailed to the mailing address on record with the real property tax office in the county in which the property is located.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that a significant amount of real property in Hawaii is owned by nonresidents of the State. When problems arise concerning the real property owned by nonresidents, those owners are frequently difficult or impossible to properly serve with summons and, as a result, the process of remedying those problems cannot proceed. This measure will allow issues concerning real property owned by nonresidents of the State to be more efficiently and effectively resolved.

Your Committee has amended this measure by:

- (1) Removing language amending section 634-36, Hawaii Revised Statutes, to authorize service on nonresident property owners through a summons mailed to the mailing address on record with the real property tax office in the county in which the property is located and instead inserting language establishing a new section within chapter 634, Hawaii Revised Statutes, with substantially identical provisions;
- (2) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2033, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2033, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3037 Judiciary on H.B. No. 2051

The purpose and intent of this measure is to appropriate monies for grants to maintain the weed and seed strategy of collaborative efforts to reclaim, restore, and rebuild communities.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and eighteen individuals.

Your Committee finds that the weed and seed strategy is the result of a program initiated by the United States Department of Justice in 1991 in an attempt to weed out violent crime, gang activity, and drug use and trafficking in target areas and then seed the target area by restoring the neighborhood through social and economic revitalization. Since the strategy's implementation in Hawaii, partners among law enforcement and members of the community have reported significant reductions in criminal activity and improved relations between law enforcement and the public in areas such as Waipahu, Kalihi, and Chinatown. With respect to the amount of funding necessary to maintain the weed and seed strategy, your Committee notes that Weed and Seed Hawaii, Inc., has completed an application for a grant-in-aid requesting \$400,000 for fiscal year 2019.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2051, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2051, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3038 Judiciary on H.B. No. 2131

The purpose and intent of this measure is to:

- (1) Establish a Hawaii sexual assault response and training program to address the manner in which sexual assault evidence collection kits are processed and tracked and ensure that victims of sexual assault are informed of their rights under the law; and
- (2) Require annual reports by the Department of the Attorney General to the President of the Senate and Speaker of the House of Representatives on the statewide inventory of sexual assault collection kits collected and submitted to an accredited and approved DNA laboratory.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Hawaii State Commission on the Status of Women, Department of the Prosecuting Attorney of the City and County of Honolulu, Honolulu Police Department, Sex Abuse Treatment Center, Hawaii Women's Coalition, Community Alliance on Prisons, Hawai'i Women Lawyers, Planned Parenthood Votes Northwest and Hawaii, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Joyful Heart Foundation, and five individuals.

Your Committee finds that deoxyribonucleic acid (DNA) evidence is a powerful law enforcement tool that can identify unknown suspects, connect crimes to known perpetrators, and exonerate the innocent. DNA evidence, collected through sexual assault evidence

collection kits, is especially vital in cases of sexual assault. Many sexual assaults are committed by repeat and serial offenders, and only 12.5 percent of sexual assault reports result in conviction. This measure will establish a Hawaii sexual assault response and training program to address and improve the manner in which sexual assault evidence collection kits are processed and tracked and to ensure that victims of sexual assault are informed of their rights under the law.

Your Committee has amended this measure by:

- (1) Changing the mandatory storage period for untested sexual assault evidence collection kits if the victim was eighteen years of age or older at the time of the incident from five years to six years;
- (2) Removing the appropriations to the Department of the Attorney General and the counties from the general revenues of the State and adding an appropriation to the Department of the Attorney General from the DNA registry special fund;
- (3) Making a conforming amendment to section 706-603(3), Hawaii Revised Statutes, to authorize use of the DNA registry special fund for the purposes of this measure;
- (4) Inserting an effective date of July 1, 2018; provided that the section relating to unreported sexual assault evidence collection kits shall take effect on January 1, 2019; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2131, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2131, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3039 Judiciary on H.B. No. 2418

The purpose and intent of this measure is to authorize the Department of Education to expend previously appropriated monies to satisfy the settlement of class counsel attorney's fees related to a class action lawsuit against the State.

Your Committee received testimony in support of this measure from the Department of Education, Department of the Attorney General, and Special Education Advisory Council.

Your Committee finds that the class action case at issue in this measure was in litigation for seven years and that settlement negotiations relating to the remedies took place over four years. The Department of Education was aware of the settlement and associated attorney fees, and planned accordingly to cover the costs associated with the case without a separate appropriation request. As a result, the monies to be allocated to the class counsel attorney's fees were included in the Department's budget request in fiscal year 2017 as a part of the Department's operating expenses. Authorization is now needed so that the monies may be expended for their intended purpose.

Your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2418, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2418, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5; Ayes with Reservations (Thielen). Noes, none. Excused, none.

SCRep. 3040 Judiciary on H.B. No. 2455

The purpose and intent of this measure is to appropriate monies to the Department of Business, Economic Development, and Tourism for the 2018 Gannemono celebration to commemorate the arrival of the first group of organized Japanese immigrants in Hawaii.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that 2018 marks the one hundred fiftieth anniversary of the arrival in Hawaii of the first group of organized Japanese immigrants, known as the gannemono or "first year men". Twenty community organizations in the State dedicated to perpetuating the history of Japanese-Americans in Hawaii are engaged in a collective effort to plan events during the year-long commemorative celebration. These events will foster friendships between Hawaii and Japan and honor the legacy of the Gannemono and the contributions that they and their descendants have made in the State through the years.

Your Committee has amended this measure by inserting an effective date of December 23, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2455, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2455, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3041 Judiciary on H.B. No. 2698

The purpose and intent of this measure is to appropriate monies for various programs, ceremonies, and activities commemorating the centennial anniversary of World War I and the men and women who served in the war.

Your Committee received testimony in support of this measure from the Office of Veterans Services; Hawaii State World War I Centennial Task Force; Military Order of the World Wars, Department of Hawaii; National Association for Uniformed Services Hawaii Chapter; National Trust for Historic Preservation; Daughters of the American Revolution; American Veterans Hawaii Post 2 Ewa Battlefield; 808 Cleanups; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Vietnam Veterans of America Chapter 858; and ten individuals.

Your Committee finds that direct American involvement in World War I was initiated by a request from the President to Congress for a declaration of war against the German Empire on April 2, 1917, and lasted until an armistice was signed on November 11, 1918. During the war, approximately ten thousand men and women from the Territory of Hawaii volunteered to serve in either military or civilian roles. This measure will provide the resources to commemorate the centennial anniversary of World War I and honor the sacrifices of the men and women who served in the war.

Your Committee has amended this measure by inserting an effective date of March 19, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2698, H.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2698, H.D. 3, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3042 Judiciary on H.B. No. 2752

The purpose and intent of this measure is to appropriate funds to the Judiciary to conduct an evaluation study to assess the impact of the Community Court Outreach Project in reducing the administrative burdens within the judicial system and for any staff and technology necessary for conducting the community court at community sites.

Your Committee received testimony in support of this measure from the Judiciary, Office of the Public Defender, Community Alliance on Prisons, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that the Community Court Outreach Project began in January 2017 as a collaborative pilot project among the Judiciary, Department of the Prosecuting Attorney for the City and County of Honolulu, and Office of the Public Defender. The project was permanently established by Act 55, Session Laws of Hawaii 2017, as a way to help nonviolent offenders who face problems such as drug abuse and mental health challenges obtain basic services and necessities like food and shelter. Your Committee has heard testimony from the Judiciary reporting that participants in the program have obtained housing, driver's licenses, referrals to social services, and employment in addition to having performed over six hundred forty hours of community service. This measure will provide monies to the Judiciary to conduct a thorough evaluation of the Community Court Outreach Project and expand the project to fulfill its mandate.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2752, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3043 (Joint) Agriculture and Environment and Human Services on H.B. No. 2670

The purpose and intent of this measure is to require the Department of Agriculture to develop and administer a farmers' market matching incentive program for beneficiaries of the Supplemental Nutrition Assistance Program.

Your Committees received testimony in support of this measure from the Department of Health; Office of the Mayor of the County of Hawaii; Ulupono Initiative; Hawaii Primary Care Association; Hawaii Pacific Health; Hawaii Public Health Association; Hawaii Public Health Institute; Hawaii Farm Bureau; Pioneering Healthier Communities Initiative of Honolulu; Waianae Coast Comprehensive Health Center; The Food Basket Inc.; Hawaii Island's Food Bank; American Cancer Society Cancer Action Network; Hawaii Children's Action Network; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Hawaii Appleseed Center for Law & Economic Justice; Community First; We Are One, Inc.; and sixty-five individuals. Your Committees received comments on this measure from the Department of Human Services and Department of Agriculture.

Your Committees find that fresh fruits and vegetables are an integral part of a healthy diet and central to the prevention of obesity and disease. Every community should have adequate access to healthy dietary options; however, the high cost of healthy food often makes this difficult. Your Committees find that this measure provides a mechanism by which low income households can have greater access to high quality fresh fruits and vegetables.

Your Committees urge the Department of the Attorney General to weigh in on the implications of this measure with regard to the "equal treatment" clause under the United States Department of Agriculture Food and Nutrition Service regulations and the commerce clause under the United States Constitution.

Your Committees have amended this measure by:

- (1) Renaming the program as the "local healthy food incentive program";
- (2) Making the incentive program applicable to purchases of Hawaii-grown fruits and vegetables;
- (3) Expanding the incentive program to include other direct food retailers who participate in the Supplemental Nutrition Assistance Program;
- (4) Specifying that the dollar-for-dollar match is up to \$20 per visit;

- (5) Deleting language that would have established a special fund;
- (6) Inserting an appropriation amount of \$300,000 for the incentive program;
- (7) Changing the effective date to July 1, 2018; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2670, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2670, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Wakai).

SCRep. 3044 Agriculture and Environment on S.C.R. No. 37

The purpose and intent of this measure is to request the Department of Agriculture to establish the Agriculture 2030 Investment Program and a farm-to-plate program in Hawaii.

Your Committee received testimony in support of this measure from the University of Hawaii System; Hawai'i Farm Bureau; American Heart Association; Kulahaven Farms LLC; Hawaii Tropical Fruit Growers; Hawaii Farmers Union United; Maui County Farm Bureau; Maui Farmers Union United; Hawaii Cattlemen's Council, Inc.; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Upcountry Doctor; and sixty-six individuals. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that although the State has identified actions to increase Hawaii's local food production, few systematic implementation steps have been taken toward the goals of doubling local food production by 2020 and increased food security. Your Committee further finds that Vermont, beginning in 2009, implemented a program called Farm to Plate, which establishes a systematic process to increase Vermont's agricultural production. The success of the Vermont program motivates your Committee to support the establishment of the Agriculture 2030 Investment Program and a farm-to-plate program in Hawaii and to move the State closer to the goals of doubled local food production and food security.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 37, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 37, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3045 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 9

The purpose and intent of this measure is to request the congressional delegation of Hawaii and United States Congress to oppose "concealed carry reciprocity" legislation that aims to:

- (1) Remove state and local police power to set public safety standards for who may carry a concealed firearm in public; and
- (2) Put local law enforcement at risk when encountering an armed out-of-state visitor who may be carrying a firearm with no permit, leaving police and sheriffs with no means to verify if a person is carrying a firearm lawfully.

Your Committee received testimony in support of this measure from the Police Department of the City and County of Honolulu, Police Department of the County of Maui, Injury Prevention Advisory Committee, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii Youth Services Network, and eight individuals. Your Committee received testimony in opposition to this measure from the National Rifle Association of America, 2A Hawaii, Hawaii Rifle Association, Institute for Rational and Evidence-based Legislation, Lessons in Firearms Education Hawaii, and ninety-seven individuals.

Your Committee finds that a permit authorizing the concealed carry of a loaded handgun is legal in all fifty states and that each state has its own standards of who may or may not carry a firearm in public. Your Committee notes that the State of Hawaii requires training for every concealed carry permit applicant and is able to deny applications based on any dangerous warning sign, such as a history of domestic disturbances or mental health concerns, while nineteen states do not require safety training and twenty-five states do not deny applications based on dangerous warning signs.

Your Committee further finds that "concealed carry reciprocity" legislation would allow individuals who have not been properly vetted to carry a concealed firearm in public. This legislation would take away the State's authority to set specific laws and circumvent already established laws that are tailored to the needs of the residents of Hawaii in creating safe communities. While your Committee recognizes the concerns of those who oppose gun regulation, your Committee strongly believes that maintaining the authority to establish gun laws at the state and local level will better ensure the safety of the public, which is the highest priority of your Committee.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 9 and recommends that it be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3046 Public Safety, Intergovernmental, and Military Affairs on S.R. No. 7

The purpose and intent of this measure is to request the congressional delegation of Hawaii and United States Congress to oppose “concealed carry reciprocity” legislation that aims to:

- (1) Remove state and local police power to set public safety standards for who may carry a concealed firearm in public; and
- (2) Put local law enforcement at risk when encountering an armed out-of-state visitor who may be carrying a firearm with no permit, leaving police and sheriffs with no means to verify if a person is carrying a firearm lawfully.

Your Committee received testimony in support of this measure from the Police Department of the City and County of Honolulu, Police Department of the County of Maui, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i, Hawaii Youth Services Network, and three individuals. Your Committee received testimony in opposition to this measure from 2A Hawaii, Hawaii Rifle Association, Honolulu County Republican Party, Institute for Rational and Evidence-based Legislation, National Rifle Association of America, and seventy-three individuals.

Your Committee finds that a permit authorizing the concealed carry of a loaded handgun is legal in all fifty states and that each state has its own standards of who may or may not carry a firearm in public. Your Committee notes that the State of Hawaii requires training for every concealed carry permit applicant and is able to deny applications based on any dangerous warning sign, such as a history of domestic disturbances or mental health concerns, while nineteen states do not require safety training and twenty-five states do not deny applications based on dangerous warning signs.

Your Committee further finds that “concealed carry reciprocity” legislation would allow individuals who have not been properly vetted to carry a concealed firearm in public. This legislation would take away the State’s authority to set specific laws and circumvent already established laws that are tailored to the needs of the residents of Hawaii in creating safe communities. While your Committee recognizes the concerns of those who oppose gun regulation, your Committee strongly believes that maintaining the authority to establish gun laws at the state and local level will better ensure the safety of the public, which is the highest priority of your Committee.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 7 and recommends that it be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Ihara).

SCRep. 3047 (Joint) Public Safety, Intergovernmental, and Military Affairs and Agriculture and Environment on S.R. No. 19

The purpose and intent of this measure is to urge the County of Hawai‘i to prioritize infrastructure improvements to wastewater management through a comprehensive study for economic development, infrastructure, sustainability, education, and public policy.

Your Committees received testimony in support of this measure from the Department of Health, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i, and one individual. Your Committees received comments on this measure from the Department of Environmental Management for the County of Hawai‘i.

Your Committees find that proper maintenance of wastewater infrastructure is essential for protecting the State’s land and resources and for promoting future sustainability. Your Committees further find that the wastewater management system for the County of Hawai‘i has not been updated in many years and consequently, wastewater infrastructure for the county does not employ the most modern and effective wastewater management techniques and processes. However, your Committees also find that before the county can make any significant modifications to its wastewater management system, the county needs to conduct a feasibility study that focuses on finding ways to maximize current investment in wastewater systems and all modern and more cost-effective technical and financial models that improve operations, performance, and cost.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Agriculture and Environment that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 19 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Wakai).
Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Rhoads, Ruderman).

SCRep. 3048 Labor on Gov. Msg. Nos. 566, 567, 568, and 569

Recommending that the Senate advise and consent to the nominations of the following:

HAWAI‘I WORKFORCE DEVELOPMENT COUNCIL

- G.M. No. 566 JASON ITO, for a term to expire 06-30-2018;
- G.M. No. 567 JASON ITO, for a term to expire 06-30-2022;
- G.M. No. 568 MICHAEL KAMIYA, for a term to expire 06-30-2020; and
- G.M. No. 569 YVETTE GIBSON, for a term to expire 06-30-2021

Your Committee reviewed the personal histories, resumes, and statements submitted by Jason Ito, Michael Kamiya, and Yvette Gibson for service on the Hawaii Workforce Development Council.

Jason Ito

Your Committee received testimony in support of the nominations for the appointment and reappointment of Mr. Ito from the Department of Labor and Industrial Relations; Workforce Development Council; Kyo-ya Management Company, Ltd.; Hawai'i Lodging & Tourism Association; Chamber of Commerce Hawaii; and seven individuals.

Upon review of the testimony, your Committee finds that Mr. Ito's experience in labor and community relations, background, and knowledge qualify him for appointment and reappointment to the Hawaii Workforce Development Council as a representative of the private sector, including nonprofit organizations and business in the State. Mr. Ito is currently employed as Director of Administration, Labor, and Community Relations for Kyo-ya Management Company, Ltd., where he is responsible for all union and labor relations, collective bargaining agreements, associate development and enrichment programs, and community engagement and support. Mr. Ito also has over twenty-five years of experience in the tourism and hospitality industry. Your Committee finds that Mr. Ito brings to the Council extensive expertise in labor and community relations to assist in aligning the work of the Department of Labor and Industrial Relations with the needs of businesses and individual customers.

Michael Kamiya

Your Committee received testimony in support of the nomination for the appointment of Mr. Kamiya from the Department of Labor and Industrial Relations, Workforce Development Council, Department of Agriculture, Hawai'i Farm Bureau, Maui County Farm Bureau, and one hundred fifteen individuals.

Upon review of the testimony, your Committee finds that Mr. Kamiya's experience in the agricultural community, background, and knowledge qualify him for appointment to the Hawaii Workforce Development Council as a representative of the private sector, including nonprofit organizations and business in the State. Mr. Kamiya is currently employed as the sale director of Kamiya Gold, Inc., where he oversees all sales and distribution of fresh papayas, including customer and vendor relations, accounting and bookkeeping, and employee management. Mr. Kamiya also has almost seven years of experience in the agricultural community. Your Committee finds that Mr. Kamiya brings to the Council extensive expertise in the management and sustainability of a small family farm and therefore will be an asset to the Council from the perspective small agricultural producer.

Yvette Gibson

Your Committee received testimony in support of the nomination for the appointment of Ms. Gibson from the Department of Labor and Industrial Relations, Workforce Development Council, Hawai'i Pacific Health, and three individuals.

Upon review of the testimony, your Committee finds that Ms. Gibson's experience in human resources, background, and knowledge qualify her for appointment to the Hawaii Workforce Development Council as a representative of the private sector, including nonprofit organizations and business in the State. Ms. Gibson is currently employed as the talent acquisition manager at Hawai'i Pacific Health, where she directs accountability and oversight for recruiting and retaining talent in one of the State's largest health care systems. Ms. Gibson also has over fifteen years of experience in talent acquisition and recruitment. Your Committee finds that Ms. Gibson's extensive expertise in recruitment makes her uniquely qualified to provide feedback, guidance, and suggestions about trends and potential strategies that will help build programs and initiatives to strengthen the economy.

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

SCRep. 3049 Labor on Gov. Msg. No. 541

Recommending that the Senate advise and consent to the nomination of the following:

HOISTING MACHINE OPERATORS ADVISORY BOARD

G.M. No. 541 DON BAILEY, for a term to expire 06-30-2021

Your Committee reviewed the personal history, resume, and statement submitted by Don Bailey for service on the Hoisting Machine Operators Advisory Board.

Your Committee received testimony in support of the nomination for the appointment of Mr. Bailey from the Department of Labor and Industrial Relations and Hoisting Machine Operators Advisory Board.

Upon review of the testimony, your Committee finds that Mr. Bailey's experience as a certified crane inspector, background, and knowledge qualify him for appointment to the Hoisting Machine Operators Advisory Board as an at-large representative. Mr. Bailey is currently employed as the Chief Executive Officer of Doc Bailey Construction Equipment Inc. Mr. Bailey also has over thirty-two years of experience in servicing and operating cranes, including twenty-six years of experience as a certified crane inspector and crane maintenance with welding, fabrication, design, and repair. Your Committee finds that Mr. Bailey brings to the Advisory Board extensive expertise in crane maintenance and operation that will assist the Advisory Board to ensure that regulatory requirements are met and safety compliance is maintained.

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

SCRep. 3050 Judiciary on Gov. Msg. Nos. 509, 585, and 586

Recommending that the Senate advise and consent to the nominations of the following:

KING KAMEHAMEHA CELEBRATION COMMISSION

- G.M. No. 509 KATHLEEN MONIZ, for a term to expire 06-30-2019;
G.M. No. 585 BRENDON LEE, for a term to expire 06-30-2018; and
G.M. No. 586 BRENDON LEE, for a term to expire 06-30-2022

Your Committee has reviewed the personal histories, resumes, and statements submitted by Kathleen Moniz and Brendon Lee to serve on the King Kamehameha Celebration Commission.

KATHLEEN MONIZ

Your Committee received testimony in support of the nomination for the appointment of Kathleen Moniz from the Department of Accounting and General Services, King Kamehameha Celebration Commission, and two individuals.

Upon review of the testimony, your Committee finds that Dr. Moniz's expertise and experience qualify her to be nominated for appointment to the King Kamehameha Celebration Commission. Your Committee notes that Dr. Moniz has previously served as a member of the Commission. Section 8-5(a)(4), Hawaii Revised Statutes, requires the King Kamehameha Celebration Commission to have at least one member from the Daughters and Sons of Hawaiian Warriors. Dr. Moniz is a member and treasurer of the Daughters and Sons of Hawaiian Warriors and her appointment to the Commission will fulfil the statutory requirement for representation from that organization. Your Committee finds that Dr. Moniz's experience and commitment to the community will be great assets to the King Kamehameha Celebration Commission.

BRENDON K. LEE

Your Committee received testimony in support of the nomination for the appointment and reappointment of Brendon K. Lee from the Department of Accounting and General Services, King Kamehameha Celebration Commission, and one individual.

Upon review of the testimony, your Committee finds that Mr. Lee's experience and history of community involvement qualify him to be nominated for appointment and reappointment to the King Kamehameha Celebration Commission. Your Committee notes that Mr. Lee possesses considerable experience in administrative and management positions. Section 8-5(a)(5), Hawaii Revised Statutes, requires the King Kamehameha Celebration Commission to have at least one member from the Kamehameha Schools Alumni Association. Mr. Lee is a member of the Kamehameha Schools Alumni Association, and his appointment and reappointment to the Commission will fulfil the statutory requirement for representation from that organization.

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, 5. Noes, none. Excused, none.

SCRep. 3051 Judiciary on Gov. Msg. No. 510

Recommending that the Senate advise and consent to the nomination of the following:

STATE FOUNDATION ON CULTURE AND THE ARTS COMMISSION

- G.M. No. 510 RONALD MICHIOKA, for a term to expire 06-30-2021

Your Committee has reviewed the personal history, resume, and statement submitted by Ronald Michioka for service on the State Foundation on Culture and the Arts Commission.

Your Committee received testimony in support of the nomination for the reappointment of Ronald Michioka from the Department of Accounting and General Services and State Foundation on Culture and the Arts.

Upon review of the testimony, your Committee finds that Mr. Michioka's expertise and considerable experience qualify him to be nominated for reappointment to the State Foundation on Culture and the Arts Commission. Your Committee notes that Mr. Michioka currently serves as a member of the Commission, and previously worked for the State Foundation on Culture and the Arts as a cataloguer and curator. In addition, Mr. Michioka has earned a Bachelor of Fine Arts degree in sculpture and painting from the University of Hawaii Manoa, where he was a candidate for a Masters of Fine Arts in sculpture. Section 9-2(b), Hawaii Revised Statutes, requires the State Foundation on Culture and the Arts Commission to have members representing the various counties. Mr. Michioka currently serves on the Commission representing the City and County of Honolulu. Your Committee finds that Mr. Michioka's expertise and history of service will continue to be great assets to the State Foundation on Culture and the Arts 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, 5. Noes, none. Excused, none.

SCRep. 3052 Judiciary on Gov. Msg. Nos. 595 and 596

Recommending that the Senate advise and consent to the nominations of the following:

HAWAI'I SISTER STATE COMMITTEE

G.M. No. 595 KAY MATSUI, for a term to expire 06-30-2018; and

G.M. No. 596 KAY MATSUI, for a term to expire 06-30-2022

Your Committee has reviewed the personal history, resume, and statement submitted by Kay Matsui to serve on the Hawai'i Sister State Committee.

Your Committee received testimony in support of the nomination for the appointment and reappointment of Kay Matsui from the Department of Business, Economic Development, and Tourism.

Upon review of the testimony, your Committee finds that Ms. Matsui's expertise and experience qualify her to be nominated for appointment and reappointment to the Hawai'i Sister State Committee. Your Committee notes that Ms. Matsui was born and raised in Taiwan and has language fluency in Mandarin, Taiwanese, and English, as well as proficiency in Japanese. In addition to being involved with several voluntary community services, Ms. Matsui has extensive experience as a marketing director at WFG, a Transamerica Financial Company; a branch office manager at Transamerica Financial Advisors, Inc.; and a member of the board of directors of the Honolulu Board of Water Supply. Your Committee finds that Ms. Matsui's extensive experience, international perspective, and dedication to the community will be great assets to the Hawai'i 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, 5. Noes, none. Excused, none.

SCRep. 3053 Judiciary on H.B. No. 1172

The purpose and intent of this measure is to:

- (1) Establish property owner liability for illegal aerial devices possessed or set off on their property by others; and
- (2) Allow probable cause for fireworks offenses to be established from statements from witnesses and photographs, video, and other recordings authenticated by witnesses.

Your Committee received testimony in support of this measure from the Hawaii State Fire Council, Honolulu Fire Department, Department of Fire and Public Safety of the County of Maui, Hawai'i County Fire Department, Animal Rights Hawai'i, Animal Care, Poi Dogs & Popoki, and twenty-seven individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that, although the use of certain aerial fireworks has been prohibited for some time, enforcement of this prohibition has been difficult. Law enforcement officers responding to public complaints of illegal fireworks often cannot determine with certainty the identity of the person or persons who actually set off the illegal firework. Additionally, because of the momentary nature of a firework explosion, law enforcement officers often encounter difficulty establishing probable cause once they arrive at the site of an alleged violation. This measure will empower law enforcement officers to more effectively enforce the prohibition against illegal aerial fireworks.

Your Committee has amended this measure by:

- (1) Specifying that the penalty for a property owner who knowingly allows an individual to possess, set off, ignite, or otherwise cause to explode any aerial device while on the owner's property shall be either a class C felony or a misdemeanor, depending on the total weight of the aerial device; and
- (2) Inserting an effective date of October 1, 2018.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1172, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1172, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3054 (Joint) Human Services and Commerce, Consumer Protection, and Health on H.B. No. 2738

The purpose and intent of this measure is to:

- (1) Establish and appropriate funds for a three-year pilot program to provide health care services to uninsured newborn children who are at least one day old and no more than thirty days old;
- (2) Establish and appropriate funds for a three-year pilot program to provide health care coverage to certain children who are between thirty-one days old and nineteen years old; and
- (3) Require the Department of Human Services to report to the Legislature.

Your Committees received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, March of Dimes Foundation – Hawaii, and one individual. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that Act 236, Session Laws of Hawaii 2008 (Act 236), established the Keiki Care pilot program in the Med-QUEST division of the Department of Human Services to provide health insurance to children who were uninsured, provided that they were not eligible for other state or federal health care coverage. However, on November 1, 2008, the then-Governor discontinued the program more than two years short of the span intended by Act 236. Your Committees further find that there is currently a gap group of children who are ineligible for state or federal health care coverage. Children who remain uninsured typically do not receive adequate preventative care or routine management of acute or chronic health conditions. This measure will provide children health care coverage and services to lead healthy lives.

As affirmed by the records of votes of the members of your Committees on Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2738, H.D. 1, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3. Noes, none. Excused, 2 (Chang, Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Nishihara, Ruderman).

SCRep. 3055 (Joint) Human Services and Commerce, Consumer Protection, and Health on H.B. No. 2694

The purpose and intent of this measure is to require the Department of Health to furnish, free of charge, certified copies of birth certificates for individuals who are homeless.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Domestic Violence Action Center, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from the Governor's Coordinator of Homelessness, Department of Human Services, and Department of Health.

Your Committees find that many homeless individuals who struggle with housing insecurity or re-entry after incarceration are often faced with barriers when acquiring identification documents, such as not having sufficient funds to obtain such documentation. Your Committees further find that identification documents such as birth certificates are often necessary to obtain a driver's license, apply for a job, and establish eligibility for certain public benefits and services. This measure will allow homeless individuals to request and receive certified copies of their birth certificate for no cost.

Your Committees have amended this measure by inserting a sunset date of June 30, 2021.

As affirmed by the records of votes of the members of your Committees on Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2694, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2694, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3. Noes, none. Excused, 2 (Chang, Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Nishihara, Ruderman).

SCRep. 3056 (Joint) Human Services and Commerce, Consumer Protection, and Health on H.B. No. 2021

The purpose and intent of this measure is to:

- (1) Require the Department of Human Services, in consultation with the Department of Health, to establish a pilot project to provide shelter and mental health treatment for homeless individuals with severe mental illness who are subject to court-ordered involuntary hospitalization to a psychiatric facility pursuant to part IV of chapter 334, Hawaii Revised Statutes; and
- (2) Appropriate funds for the pilot project.

Your Committees received testimony in support of this measure from the Hawai'i Psychological Association, Institute for Human Services, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Kailua Laundromat, National Alliance on Mental Illness - Hawaii, and twenty-eight individuals. Your Committees received comments on this measure from the Governor's Coordinator on Homelessness, Department of Human Services, Department of Health, Department of the Attorney General, and two individuals.

Your Committees find that there is a gap in services for homeless individuals with severe mental illness, as these individuals often cycle between homelessness, emergency room treatment, incarceration, and hospitalization. Your Committees further find that there are limited housing and services for homeless individuals with severe mental illnesses. Providing care for homeless individuals with severe mental illness will allow them time to transition to a healthier life.

Your Committees also note that the Department of the Attorney General and Institute of Human Services expressed concern that the facility being administered by the Department of Human Services, in consultation with the Department of Health, in this measure does not fulfill the definition of a psychiatric facility required for individuals subjected to a court-ordered involuntary hospitalization pursuant to part IV of chapter 334, Hawaii Revised Statutes.

Accordingly, your Committees have amended this measure by:

- (1) Changing the target population to be served by the pilot project from homeless individuals with severe mental illness who are subject to court-ordered involuntary hospitalization to a psychiatric facility pursuant to part IV of chapter 334, Hawaii Revised

Statutes, to homeless individuals with severe mental illness who are subject to an assisted community treatment order or court ordered guardianship;

- (2) Establishing the goal for the pilot project of enabling homeless individuals with severe mental illness to find permanent housing through Housing First programs; provided that Adult Protective Services must first seek a court ordered guardianship for those individuals and consult with the Family Court and other appropriate agencies;
- (3) Requiring the Adult Protective Services of the Department of Health to seek a court ordered guardianship for homeless individuals with severe mental illness and consult with the family court and other appropriate agencies about homeless individuals with severe mental illness who were subjected to an assisted community treatment order;
- (4) Requiring a homeless individual with severe mental illness to provide identification documentation, such as a social security card, driver's license, or state identification card, in order to be eligible for the pilot project;
- (5) Requiring that a memorandum of understanding be established between the Department of Human Services, Department of Health, and other appropriate agencies implementing the pilot project;
- (6) Specifying that the purpose of the appropriation for establishment of the pilot project shall include hiring of a social worker and social service assistant;
- (7) Requiring the Department of the Attorney General to approve the pilot project before it may take effect;
- (8) Amending section 1 to reflect its amended purpose; and
- (9) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2021, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2021, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3; Ayes with Reservations (Tokuda). Noes, none. Excused, 2 (Chang, Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 4; Ayes with Reservations (Tokuda). Noes, none. Excused, 3 (Chang, Nishihara, Ruderman).

SCRep. 3057 (Joint) Human Services and Labor on H.B. No. 1647

The purpose and intent of this measure is to require the Department of Human Services to:

- (1) Compile data regarding employers in the State who employ individuals receiving public assistance; and
- (2) Submit an annual report to the Legislature identifying the fifty employers with the highest number of employees who receive public assistance.

Your Committees received comments on this measure from the Department of the Attorney General, Department of Labor and Industrial Relations, and Department of Human Services.

Your Committees find that public assistance programs are essential to ensuring that all residents have access to healthy food, quality health insurance, basic needs, cash assistance, and child care. Your Committees further find that certain employers provide workers with low wages and poor benefits with the intention or expectation that their employees will enroll in public assistance to supplement their income. However, this practice costs taxpayers billions of dollars per year and puts responsible businesses at a competitive disadvantage. This measure will provide the Legislature a deeper understanding of how various public assistance programs impact individuals and their families.

Your Committees also recognize that the various public benefits and services offered by the Department of Human Services, such as the Supplemental Nutrition Assistance Program, Medicaid services, and child care subsidy programs, have direct implications to the health and well-being of individuals and families who receive benefits and services, such as purchasing healthy food to prevent chronic diseases and obtaining health insurance to receive mental health services. Given the importance of these programs, your Committees find that a better understanding of the use of these programs will result in more prudent decisions to preserve and enhance this safety net.

As affirmed by the records of votes of the members of your Committees on Human Services and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1647, H.D. 2, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3. Noes, none. Excused, 2 (Chang, Harimoto).

Labor: Ayes, 3. Noes, none. Excused, 2 (Chang, English).

SCRep. 3058 (Joint) Human Services and Labor on H.B. No. 2204

The purpose and intent of this measure is to:

- (1) Require the Department of Human Services, in conjunction with the Financial Assistance Advisory Council, to convene a task force to revise and restructure the welfare payment structure to incentivize welfare recipients to advance in their careers while retaining their beneficiary status;
- (2) Re-establish the exit and retention bonus program; and

- (3) Appropriate funds to re-establish the exit and retention bonus program.

Your Committees received testimony in support of this measure from Mental Health America of Hawai'i, League of Women Voters of Hawaii, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that existing state welfare policies often penalize welfare recipients who seek job promotions or higher paying career opportunities. Your Committees further find that an increase in income often causes welfare recipients to lose their beneficiary status, resulting in financial hardships. This measure will convene a task force to revise the welfare payment system to allow welfare recipients to advance in their careers without necessarily losing their beneficiary status. This measure will also require the Department of Human Services to re-establish the exit and retention bonus program to encourage welfare recipients to voluntarily leave the welfare system and enter the workforce, increase their hours of employment, and remain out of the welfare system.

As affirmed by the records of votes of the members of your Committees on Human Services and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2204, H.D. 1, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3. Noes, none. Excused, 2 (Chang, Harimoto).

Labor: Ayes, 3. Noes, none. Excused, 2 (Chang, English).

SCRep. 3059 (Joint) Human Services and Labor on H.B. No. 2019

The purpose and intent of this measure is to:

- (1) Require the Department of Human Services to establish a three-year homeless employment grant program to connect homeless individuals with work opportunities and service providers; and
- (2) Appropriate funds for the homeless employment grant program.

Your Committees received testimony in support of this measure from the Governor's Coordinator on Homelessness, Hawaii Youth Services Action Network, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and six individuals. Your Committees received comments on this measure from the Department of Human Services and State Procurement Office.

Your Committees find that despite increased efforts and resources to reduce homelessness in the State, homelessness still remains a significant issue and service providers often have difficulty assisting homeless individuals and identifying the services they need. Some service providers in the State have successfully assisted homeless individuals with finding temporary work, but only in certain areas and communities. Establishing a homeless employment grant program will allow homeless individuals to increase their self-esteem and gain valuable work experience that will help them progress to being self-sufficient, while at the same time allow them to contribute to their community.

Your Committees have amended this measure by:

- (1) Delaying the implementation of the homeless employment grant program to July 1, 2020, to allow the Department of Human Services to develop a plan for the grant program; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2019, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2019, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3. Noes, none. Excused, 2 (Chang, Harimoto).

Labor: Ayes, 3. Noes, none. Excused, 2 (Chang, English).

SCRep. 3060 (Joint) Human Services and Labor on H.B. No. 2362

The purpose and intent of this measure is to exempt administrative appeals hearing officers in the Department of Human Services from civil service requirements.

Your Committees received testimony in support of this measure from the Department of Human Services.

Your Committees find that the Department of Human Services provides an administrative review process for applicants and recipients of public benefits to appeal decisions made by the Department. Your Committees further find that the Department maintains a staff of experienced, trained, and knowledgeable administrative appeal hearing officers to conduct timely, accurate, and prompt administrative hearings and has received testimony from the Department indicating that the highly specialized demands of the administrative appeals hearing officer positions necessitate that these positions be from civil service requirements.

As affirmed by the records of votes of the members of your Committees on Human Services and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2362, H.D. 1, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3. Noes, none. Excused, 2 (Chang, Harimoto).

Labor: Ayes, 3; Ayes with Reservations (Taniguchi). Noes, none. Excused, 2 (Chang, English).

SCRep. 3061 Ways and Means on H.B. No. 1605

The purpose and intent of this measure is update the general excise tax law to conform with other state tax statutes by repealing certain obsolete or unnecessary provisions.

Your Committee received testimony in support of this measure from the Department of Taxation.

Your Committee finds that this measure makes housekeeping amendments to various provisions of the general excise tax law in Chapter 237, Hawaii Revised Statutes. Specifically, this measure deletes unnecessary or redundant provisions and does not make any substantive changes to the law.

Your Committee has amended this measure by making technical nonsubstantive amendments for the purpose of style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1605, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1605, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Keith-Agaran, Shimabukuro).

SCRep. 3062 (Joint) Agriculture and Environment and Water and Land on H.B. No. 2106

The purpose and intent of this measure is to require the Environmental Council to adopt and maintain rules requiring all environmental assessments and environmental impact statements prepared pursuant to chapter 343, Hawaii Revised Statutes, to include consideration of sea level rise based on the best available scientific data regarding sea level rise.

Your Committees received testimony in support of this measure from the Office of Planning, Department of Land and Natural Resources, Hawai'i Reef and Ocean Coalition, 350Hawaii.org, Surfrider Foundation, Friends of Hanauma Bay, Sierra Club of Hawai'i, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and eight individuals.

Your Committees find that sea level rise and other climate change hazards that could drastically impact the State and cause massive disruption are subjects of great concern. The Hawaii Climate Change Mitigation and Adaptation Commission has already made findings relating to sea level rise and other climate change hazards in its "Hawaii Sea Level Rise Vulnerability and Adaptation Report", and those findings should be incorporated into applicable state and county plans, strategies, and mapping. Your Committees also find that the threat of sea level rise and other climate change hazards are such that consideration of such factors should be made at all levels of planning within the State. Therefore, your Committees find that it is in the best interest of the State that environmental assessments and environmental impact statements include consideration of sea level rise.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2106, H.D. 3, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3063 Water and Land on H.B. No. 2594

The purpose and intent of this measure is to appropriate funds for the Kaho'olawe Island Reserve Commission to restore, preserve, and determine the appropriate uses of the Kaho'olawe Island Reserve and to fund an unspecified number of full-time equivalent permanent positions for the Kaho'olawe Island Reserve Commission.

Your Committee received testimony in support of this measure from the Kaho'olawe Island Reserve Commission, one member of the County Council of the County of Maui, Hawaiian Affairs Caucus of the Democratic Party of Hawai'i, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaiian Civic Club of Honolulu, Maui Nui Seabird Recovery Project, Ocean Tourism Coalition, Hawaii Academy of Arts & Sciences Public Charter School, Malu 'Aina, Old Lāhainā Lū'au, and forty-two individuals. Your Committee received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies.

Your Committee finds that during the past fourteen years, the Kaho'olawe Island Reserve Commission has developed innovative and effective restoration projects that serve as a foundation for the future restoration of the island. In 2016, the Commission submitted a detailed financial self-sufficiency and sustainability plan to establish the necessary baseline level of funding needed to continue work on Kaho'olawe. As a result, Act 49, Session Laws of Hawaii 2017, provided general funds and authorized fifteen positions for fiscal years 2017-2018 and 2018-2019. Although these funds allow the Commission to continue its mission in the short term, these funds are only sufficient to support staffing, Maui-based facilities, and Maui-based operations. This measure provides additional funding to support Kaho'olawe Island operations, safety, and infrastructure, as well as to restore the cultural resource project coordinator position, which is a critical position needed to manage, protect, and restore the archaeological and historical resources of Kaho'olawe.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$600,000 for the Kaho'olawe Island Reserve Commission to restore, preserve, and determine the appropriate uses of the Kaho'olawe Island Reserve;
- (2) Specifying that the appropriation for full-time equivalent permanent positions is for one full-time equivalent (1.0 FTE) permanent cultural resource project coordinator, and inserting an appropriation amount of \$53,864 to fund that position;
- (3) Changing the date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2594, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2594, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3064 Water and Land on H.B. No. 2419

The purpose and intent of this measure is to require and appropriate funds to the Department of Land and Natural Resources to create a strategic plan for maintenance dredging for small boat harbors, channels, ramps, and other port infrastructure.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Ocean Tourism Coalition, Atlantis Adventures, Quicksilver Charters, Calypso Charters, and one individual. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that the process to implement dredging in state small boat harbors and ramps can be very lengthy. By requiring the creation of a strategic plan that would include but not be limited to the identification of all state small boat harbors and ramps that require routine maintenance dredging, assessment of cost estimates, and identification of the permitting requirements, this measure is the first step in the full permitting process.

Your Committee notes that according to the Department of Land and Natural Resources, the terms, "port" and "harbor" are used interchangeably. Accordingly, your Committee is operating on that understanding for purposes of this measure.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$100,000 to the Department of Land and Natural Resources to create a strategic plan for maintenance dredging for small boat harbors, channels, ramps, and other port infrastructure; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2419, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2419, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3065 Water and Land on H.B. No. 2101

The purpose and intent of this measure is to make an appropriation to the Department of Land and Natural Resources for the operational expenses and staffing costs of the Hawaii Association of Conservation Districts.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Department of Agriculture; Hawaii Association of Conservation Districts; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Hawaii Farmers Union United, Kona Chapter; Maui County Farm Bureau; Hawai'i Farm Bureau; Local Food Coalition; Hawaii Cattlemen's Council, Inc.; Ag Matters, LLC; Sierra Club of Hawai'i; Ulupono Initiative; Hawaii Crop Improvement Association; Hawaii Coffee Association; Kau Valley Farms; Birds With Arms Farms; Larry Jefts Farms, LLC; and thirty individuals.

Your Committee finds that the Hawaii Association of Conservation Districts is composed of sixteen districts representing every community on all major islands of Hawaii. Existing law authorizes the Soil and Water Conservation Districts to operate as government subdivisions to educate the public and construct and maintain conservation projects and programs in Hawaii. Soil and Water Conservation Districts have worked to improve Hawaii's environment and economy through collaborative efforts with partners and government agencies that have brought millions of dollars to Hawaii to improve farm practices, reduce erosion, improve ocean and drinking water quality, fight invasive species, improve public safety, protect property, conserve water, and strengthen the economy. The Soil and Water Conservation Districts also provide educational and community support for conservation awareness. The Districts participate in resource conservation and development projects and statewide high school programs and also introduce conservation principles in elementary schools. However, the Soil and Water Conservation Districts do not have a base budget appropriation under the Department of Land and Natural Resources' budget. Therefore, this measure provides the necessary funding for the Soil and Water Conservation Districts to continue their important activities.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$450,000 for the operational expenses and staffing costs of the Hawaii Association of Conservation Districts;
- (2) Changing the effective date to July 1, 2018; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2101, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2101, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3066 Water and Land on H.B. No. 1984

The purpose and intent of this measure is to direct and make an appropriation to the Commission on Water Resource Management to conduct a study on statewide water security, including a review of historical water supply, present water use, and future water availability until 2050.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Board of Water Supply of the City and County of Honolulu, and one individual. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that the State is especially vulnerable to the impact of climate change and that climate change poses two primary threats to the State's freshwater supply: the intrusion of saltwater and the change in rainfall frequency and intensity. By directing the Commission on Water Resource Management to conduct a statewide water security water study, this measure will assist the State in determining its future water supply and needs.

Your Committee notes the comments submitted by the Department of Land and Natural Resources that, in accordance with chapter 174C, Hawaii Revised Statutes, the Commission of Water Resource Management provides for the development of the Hawaii Water Plan, a long-range, comprehensive, multicomponent plan that seeks to address the problems of supply and conservation of water. According to the Department, virtually all of the study elements outlined in this measure are already elements of the Hawaii Water Plan. Instead, the Department suggested updating the statewide framework. The framework is a guidance document that provides recommended elements for inclusion in each component plan so that updated plans are more useful and may be more easily integrated and coordinated with respect to water source development by the State and counties. Updating the statewide framework will provide the basis for more holistic water planning, thereby increasing the State's future water supply.

Accordingly, your Committee has amended this measure by:

- (1) Adopting the language submitted by the Department of Land and Natural Resources, which:
 - (A) Adds language to the purpose section regarding the state water code and the Hawaii Water Plan;
 - (B) Replaces the language requiring a study on statewide water security with language that requires the Commission of Water Resource Management to update the statewide framework for updating the Hawaii Water Plan to provide additional guidance; and
 - (C) Specifies the tasks and elements of the statewide framework update;
- (2) Inserting an appropriation amount of \$350,000 for the Commission on Water Resource Management to update the statewide framework;
- (3) Changing the effective date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1984, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1984, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3067 Water and Land on H.B. No. 1974

The purpose and intent of this measure is to transfer funds from the natural area reserve fund to the firefighter's contingency fund to be expended to upgrade firefighting equipment to be used jointly by the State and counties.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii State Fire Council, Honolulu Fire Department of the City and County of Honolulu, and Hawai'i Fire Department of the County of Hawai'i.

Your Committee finds that the Division of Forestry and Wildlife of the Department of Land and Natural Resources is the primary responder for wildland fires across 1,368,002 acres of the State's forested watersheds and supports federal and county responders on the remaining area of the State. The Division's fire and emergency response requires specialized equipment and resources to modernize the Division's fleet of response vehicles and equipment to ensure timely response to wildfires. State crews currently rely on outdated vehicles, some of which are on loan from federal agencies, that incur costly repairs and have broken down while crews were en route to fires. By transferring funds, this measure will allow the Division to timely respond to fires and assist counties during natural disasters, such as hurricanes and lava flows.

Your Committee has amended this measure by:

- (1) Inserting the statutory references for the natural area reserve fund and firefighter's contingency fund;
- (2) Specifying the amount of \$1,000,000 to be transferred from the natural area reserve fund to the firefighter's contingency fund;
- (3) Changing the effective date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1974, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1974, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3068 Water and Land on H.B. No. 1987

The purpose and intent of this measure is to:

- (1) Require and appropriate funds for the Commission on Water Resource Management to contract with the United States Geological Survey to conduct a five-year study on streamflow in the State; and
- (2) Require the Commission on Water Resource Management to submit to the Legislature a progress report of the streamflow study no later than twenty days prior to the convening of the Regular Sessions of 2019 through 2023.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Board of Water Supply of the City and County of Honolulu, Ulupono Initiative, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and five individuals.

Your Committee finds that the Commission on Water Resource Management, in cooperation with the United States Geological Survey, has conducted a number of intensive low-flow stream characterization studies over the past twenty years. These studies have covered portions of Windward Oahu and most of Maui. Other studies in cooperation with the United States Geological Survey include a low-flow stream study in Southeast Kaua'i to assess the streamflow characteristics from Wailua in the North to Hānāpepe in the South, and low-flow stream characterization studies for all streams on the islands of Kaua'i, Oahu, Moloka'i, Maui, and Hawai'i. Despite previous and current efforts to assess streamflow statewide, there are other stream studies that could be conducted. This measure will assist in increasing the understanding of Hawai'i streams and contribute to the data needed to develop measurable instream flow standards.

Your Committee notes that the written testimony submitted by the Department of Land and Natural Resources lists a number of studies and data monitoring needs that streamflow studies could cover and address.

Accordingly, your Committee has amended this measure by:

- (1) Adding a purpose section to provide further clarity regarding streamflow studies conducted in the State and the importance of streamflow studies;
- (2) Specifying the scope of the streamflow study for which the Commission on Water Resources Management is required to contract with the United States Geological Survey;
- (3) Inserting an appropriation amount of \$400,000 to the Commission of Water Resource Management and of that appropriation amount, dedicating specific amounts for:
 - (A) Conducting an intensive, site-specific low-flow stream study on streams in the East Maui area that are diverted by the East Maui irrigation system, which have not been previously studied; and
 - (B) Establishing three United States Geological Survey continuous record stream gaging stations, which will serve as index stations for a period of five years to aid in better long-term trend assessments; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1987, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1987, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Gabbard, Inouye).

SCRep. 3069 Commerce, Consumer Protection, and Health on H.B. No. 1876

The purpose and intent of this measure is to allow a motor vehicle insurer to satisfy the requirement that an insurer provide a complete sales and claims office in the State through the establishment and maintenance of an office by the insurer's licensed producer.

Your Committee received testimony in support of this measure from State Farm Mutual Automobile Insurance Company and National Association of Mutual Insurance Companies. Your Committee received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs and Hawaii Association for Justice.

Your Committee finds that under existing law, insurers are required to maintain a physical sales and claims office in Hawaii to sell motor vehicle insurance. However, many products and services traditionally accessed at a physical office can now be obtained digitally through mobile smart phone or internet technology. For example, many insurance applications can now be submitted electronically, claims forms and damage photos can be submitted digitally, and claims adjusters are now able to communicate with claimants and body shops via computer or the telephone. Accordingly, this measure is intended to modernize sales and claims handling for motor vehicle insurance by removing the requirement for motor vehicle insurers to maintain a physical sales and claims service office in the State, while still retaining the broad powers of the Insurance Commissioner to regulate how insurers engage in motor vehicle insurance sales and their claims adjusting practices.

However, your Committee has heard the concerns that Hawaii's isolated geography necessitates a field presence in the State. According to testimony from the Department of Commerce and Consumer Affairs, requiring insurers to maintain a physical presence in the State assures policyholders of convenient access and prompt claims adjustment that are not dependent on whether a mainland or other remote call center will answer a policyholder's calls. Your Committee appreciates these concerns and believes additional discussion on this measure is warranted.

Your Committee has amended this measure by:

- (1) Specifying that licensed producers of a motor vehicle insurer that establish and maintain an office on every island the insurer does business meet the requirement for an insurer to provide a complete sales and claims office in the State; and
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1876, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1876, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 3070 Commerce, Consumer Protection, and Health on H.B. No. 1520

The purpose and intent of this measure is to prohibit health insurers from providing limited-duration health insurance coverage in the State.

Your Committee received testimony in support of this measure from Kaiser Permanente Hawai'i. Your Committee received comments on this measure from the Department of the Attorney General, Department of Commerce and Consumer Affairs, and Hawaii Medical Service Association.

Your Committee finds that short-term, limited-duration insurance is intended to fulfill temporary gaps in coverage that may occur when an individual is transitioning from one plan or coverage to another plan or coverage, such as when an individual is between employment. These types of plans were not designed to compete with comprehensive major medical plans required by the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act). Your Committee further finds that the federal Departments of Health and Human Services, Labor, and the Treasury recently issued a proposed rule that would change the maximum duration of short-term, limited-duration health insurance coverage to less than twelve months, rather than the current maximum duration of less than three months.

Your Committee notes that under federal law, short-term, limited-duration health insurance does not need to comply with all of the requirements of the Affordable Care Act. Limited-duration health insurance plans lack many consumer protections, including typically excluding coverage of people with pre-existing medical conditions, limiting the dollar amount of benefits that a person can receive from the plan, and omitting many of the essential health benefits that are currently required of plans on the individual market, including maternity care, prescription drugs, mental health treatment, and substance use disorder services. Under the proposed federal rule, and without appropriate state regulations, these types of plans could destabilize the individual health insurance market and lead to increases in health insurance premiums for comprehensive coverage. This measure therefore prohibits health insurers from providing limited-duration health insurance coverage in Hawaii.

However, your Committee has heard testimony from the Department of Commerce and Consumer Affairs that short-term limited-duration health insurance serves a specific niche, such as a consumer who has missed the open enrollment or special enrollment period for Affordable Care Act plans. In this situation, limited-duration health insurance provides an alternative to remaining uninsured. Although your Committee appreciates that limited-duration health insurance can serve a narrow purpose, your Committee remains concerned over the lack of consumer protections available under limited-duration health insurance plans and the potential that a consumer could seek to renew or reenroll in such plans in perpetuity, rather than seeking full health insurance coverage through the federal health insurance exchange.

After further discussion, your Committee requested assistance from the Department of the Attorney General to address these concerns. Amendments to this measure are therefore necessary to incorporate language suggested by the Department of the Attorney General.

Your Committee has amended this measure by:

- (1) Specifying that an insurer is prohibited from renewing or re-enrolling an individual in a limited-duration health insurance policy or contract if the individual was eligible to purchase health insurance through the federal health insurance marketplace during an open enrollment period or special enrollment period in the previous calendar year;
- (2) Deleting language that would have prohibited a health insurer from offering or providing limited-duration health insurance coverage to individuals in the State;
- (3) Changing the duration of a policy or contract under the term "limited-duration health insurance coverage" from less than ninety-one days to an unspecified number of days;
- (4) Adding a definition of "renew or re-enroll";
- (5) Clarifying that limited-duration health insurance is subject to the same provisions of the State's Insurance Code currently applicable to limited benefit health insurance;
- (6) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1520, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1520, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Chang, Nishihara, Ruderman).

SCRep. 3071 Commerce, Consumer Protection, and Health on H.B. No. 2349

The purpose and intent of this measure is to:

- (1) Authorize the Regulated Industries Complaints Office to issue citations for specific violations of the motor vehicle repair laws; and
- (2) Establish a process for licensees in violation of motor vehicle repair laws to contest the citation for the assessment of fines for each violation.

Your Committee received testimony in support of this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and Motor Vehicle Repair Industry Board.

Your Committee finds that this measure expedites the Regulated Industries Complaints Office's enforcement of certain technical violations of the motor vehicle repair laws. Your Committee notes that the citation process established by this measure is similar to previous citation processes established for technical violations of massage therapy laws and beauty culture laws. These recent citation laws have had a positive impact on the Regulated Industries Complaints Office's efforts to curb violations and ensure swift compliance by licensees and have enabled the Office to more effectively allocate its resources. Your Committee further finds that the enforcement mechanisms in this measure will also significantly enhance the Regulated Industries Complaints Office's ability to address technical violations of the motor vehicle repair licensing laws.

Your Committee has amended this measure by:

- (1) Clarifying that the ability to issue citations covers violations of rules adopted pursuant to chapters 437B and 91, Hawaii Revised Statutes, which is consistent with similar licensing provisions found elsewhere in the Hawaii Revised Statutes;
- (2) Changing its effective date to July 1, 2018; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2349, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2349, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 3072 Commerce, Consumer Protection, and Health on H.B. No. 2546

The purpose and intent of this measure is to appropriate funds for the John A. Burns School of Medicine family medicine residency program.

Your Committee received testimony in support of this measure from the Department of Health, University of Hawai'i System, University Health Partners of Hawaii, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii Island Family Medicine Residency Program at Hilo Medical Center, Hawaii Pacific Health, Pali Momi Medical Center, and seven individuals.

Your Committee finds that this measure appropriates funds to establish a family medicine office practice and team-based training outpatient center to serve as the family medicine office practice for the John A. Burns School of Medicine family medicine residency program. Your Committee further finds that this center will provide medical services to Hawaii residents and encourage the future doctors trained there to remain in the State. Your Committee also finds that the center will be able to easily cooperate with the nearby Pali Momi Medical Center.

Your Committee notes that this measure appropriates funds to be spent on behalf of the John A. Burns School of Medicine family medicine residency program, but that the funds are designated to be expended by the Department of Health and not by the University of Hawaii. Accordingly, without expressing a preference, your Committee requests that your Committee on Ways and Means determine the appropriate expending agency as that is a matter within its purview.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2546, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2546, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Chang).

SCRep. 3073 Commerce, Consumer Protection, and Health on H.B. No. 1626

The purpose and intent of this measure is to:

- (1) Limit liability for volunteers and certain entities who provide volunteers that maintain or repair cemetery grounds; and

- (2) Require the Director of Commerce and Consumer Affairs, in consultation with the Comptroller, to develop strategies for the upkeep, repair, and maintenance of Sunset Memorial Park in Pearl City, Oahu, and report relevant findings and recommendations to the Legislature.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs; Department of Accounting and General Services; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Pearl City Neighborhood Board; and one individual. Your Committee received testimony in opposition to this measure from the Hawaii Association for Justice.

Your Committee finds that Sunset Memorial Park in Pearl City, Oahu, has been neglected for years and has been the subject of numerous complaints from family members who have loved ones buried at the cemetery. Most of these complaints relate to issues surrounding the management and lack of maintenance at Sunset Memorial Park, which has been described as having a damaged mausoleum, sinking graves, and broken, missing, or obscured grave markers that are hidden by overgrown vegetation. Your Committee further finds that although family members and volunteers have expressed a strong willingness to assist with the upkeep, repair, and maintenance of Sunset Memorial Park, many are concerned about potential liability issues. This measure therefore creates a special cemetery volunteer protection law, which is intended to encourage volunteers to maintain and repair Sunset Memorial Park without fear of liability resulting from their charitable activities.

Your Committee has amended this measure by:

- (1) Clarifying that the limited liability for volunteers pertains only to those volunteers who maintain or repair cemetery grounds without compensation;
- (2) Clarifying that the limited liability for volunteers does not relieve a cemetery property owner or cemetery authority from the duty to maintain their premises in a reasonably safe condition;
- (3) Changing its effective date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that this amended measure ensures protection of community groups maintaining and repairing Sunset Memorial Park as a public service project. This amended measure is also narrowly tailored to provide an appropriate balance of protection to those individuals, businesses, and organizations, including family members, friends, businesses, unions, and community and services organizations, that wish to help a cemetery, while also ensuring that the cemetery authority's statutory responsibilities remain unaffected.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1626, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1626, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 3074 Commerce, Consumer Protection, and Health on H.B. No. 1806

The purpose and intent of this measure is to discourage food waste and encourage food donation to needy recipients by:

- (1) Clarifying and expanding liability protections for good-faith food donors;
- (2) Allowing the donation of expired food when the donor makes a good-faith judgment that the food is unspoiled; and
- (3) Requiring that education about food donation liability protections be made a part of the health inspection process so that food establishments are aware of these provisions.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii Food Industry Association, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Aloha Harvest, Sierra Club of Hawaii, and four individuals.

Your Committee finds that more than ten percent of Hawaii residents are food insecure and receive food assistance through nonprofit organizations and government programs. Your Committee also finds that approximately twenty-six percent of food grown in or imported to Hawaii is thrown away, a value of approximately \$1,000,000,000 in annual food waste. Your Committee also finds that food production and food waste contribute directly to climate change, with food waste alone estimated to account for eight percent of greenhouse gas emissions.

Your Committee also finds that a California survey found that forty-four percent of manufacturers, forty-one percent of restaurants, and twenty-five percent of retailers identified fear of liability as their primary barrier to donating surplus food. Accordingly, your Committee finds that this measure will expand and provide information about food donation liability protections and reduce barriers to food donation.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1806, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Chang).

SCRep. 3075 Commerce, Consumer Protection, and Health on H.B. No. 2384

The purpose and intent of this measure is to amend the Uniform Controlled Substances Act to provide flexibility and clear guidance for practitioners who prescribe, administer, or dispense certain controlled substances for patients undergoing medically managed withdrawal or detoxification treatment.

Your Committee received testimony in support of this measure from the Department of Health, Department of Public Safety, Hawaii Substance Abuse Coalition, Drug Policy Forum of Hawaii, and Coalition for a Drug-Free Hawaii.

Your Committee finds that this measure will bring Hawaii law into conformity with federal law, and permit registered medical practitioners to prescribe drugs including buprenorphine and naloxone for “medically managed withdrawal”, also known as “detoxification treatment” and “maintenance treatment”. Your Committee finds that this measure will not limit the use of these drugs for medical purposes but will assist in the enforcement of drug laws and prevention of drug abuse and diversion in the State.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2384, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Chang).

SCRep. 3076 Commerce, Consumer Protection, and Health on H.B. No. 1874

The purpose and intent of this measure is to:

- (1) Expand the scope of the Condominium Education Trust Fund to cover voluntary binding arbitration between interested parties;
- (2) Amend the conditions that mandate mediation and exceptions to mandatory mediation; and
- (3) Make conforming amendments.

Your Committee received testimony in support of this measure from the Palehua Townhouse Association and two individuals. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from the Real Estate Commission.

Your Committee finds that alternative dispute resolution is a viable, affordable option for handling condominium-related disputes. However, under existing law, mediation is only nominally mandatory and there are few incentives to encourage parties to engage in alternative dispute resolution. Accordingly, this measure expands the scope of the Condominium Education Trust Fund to cover voluntary binding arbitration between interested parties and amends the conditions that mandate mediation and exceptions to mandatory mediation.

Your Committee further finds that by subsidizing the expense of arbitrations, this measure incentivizes parties to voluntarily choose binding arbitration of condominium-related disputes. Your Committee also finds that pairing evaluative mediation with voluntary binding arbitration is an efficient way of encouraging greater use of alternative dispute resolution when addressing condominium-related disputes, which is consistent with the self-governance theory of the State’s condominium law.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2018;
- (2) Inserting a sunset date of June 30, 2023; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1874, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1874, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 3077 Commerce, Consumer Protection, and Health on H.B. No. 2373

The purpose and intent of this measure is to allow the Department of Health to share public health statistics records with Department of Health program employees under certain circumstances.

Your Committee received testimony in support of this measure from the Department of Health, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i, Hawaii Primary Care Association, and Hawaii Children’s Action Network.

Your Committee finds that this measure will allow the Department of Health to safeguard the privacy of vital records while providing limited sharing of vital statistics records amongst its employees, with approval from the Department’s institutional review committee. Your Committee finds that, under existing law, the Department is authorized to use de-identified data for research purposes, however in many circumstances the use of identified data is also needed for research purposes. Your Committee further finds that this measure would permit the Department of Health to conduct the Pregnancy Risk Assessment Monitoring System research study, among other valuable research.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2373, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Chang).

SCRep. 3078 Commerce, Consumer Protection, and Health on H.B. No. 2385

The purpose and intent of this measure is to update the list of Schedule I controlled substances in the State's Uniform Controlled Substances Act to incorporate amendments made to the federal Controlled Substances Act and include controlled substances emergency scheduled or temporarily designated, pursuant to section 329-11, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Public Safety.

Your Committee finds that this measure is necessary to make the State's Uniform Controlled Substance Act, chapter 329, Hawaii Revised Statutes, consistent with changes to federal law and that these updates to the Uniform Controlled Substances Act are in the interest of public health and safety.

Your Committee has amended this measure by:

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

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2385, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2385, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Chang).

SCRep. 3079 (Joint) Water and Land and Agriculture and Environment on H.B. No. 2081

The purpose and intent of this measure is to appropriate funds to the Department of Land and Natural Resources to provide assistance and supplemental funding for the National Wildlife Research Center of the United States Department of Agriculture to conduct pilot field studies to evaluate control tools and develop a management plan to reduce the rose-ringed parakeet population on Kauai.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Department of Agriculture; Land Use Research Foundation of Hawaii; Maui County Farm Bureau; Hawai'i Farm Bureau; Ag Matters, LLC; Hawaii Crop Improvement Association; Hawaii Veterinary Medical Association; Hawaii Cattlemen's Council, Inc.; Beck's Superior Hybrids; and thirty-eight individuals. Your Committees received testimony in opposition to this measure from two individuals.

Your Committees find that there is an increase in reports of rose-ringed parakeet flocks on the island of Kauai. This species poses a significant threat to the local economy, ecology, and human health and safety. On Kauai, the rose-ringed parakeet causes more crop damage than all other birds and mammals.

Your Committees further find that the National Wildlife Research Center began its work to examine the damaging impacts of the rose-ringed parakeet with funds appropriated under Act 31, Session Laws of Hawaii 2017. The appropriated funds are being used to support a review of existing damage mitigation tools, identify potential new tools for evaluation, develop stakeholder-specific guidelines for damage control to farmers, ranchers, tourism operators, and homeowners, and establish protocols for pilot studies to evaluate the most promising control tools. The funds appropriated by this measure will be used to complete the evaluation studies and carry out the second phase of the project, which is to conduct pilot field studies to evaluate control tools and develop a management plan to reduce populations of the rose-ringed parakeet on Kauai. This process will include tracking and mapping populations and field assessment of population reduction methods.

Your Committees have amended this measure by:

- (1) Inserting an appropriation amount of \$284,011 to provide assistance and supplemental funding for the National Wildlife Research Center to conduct pilot field studies to reduce the rose-ringed parakeet population on Kauai;
- (2) Changing the effective date to July 1, 2018; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2081, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2081, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).
Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 3080 (Joint) Water and Land and Agriculture and Environment on H.B. No. 2545

The purpose and intent of this measure is to:

- (1) Require the State Sustainability Coordinator of the Office of Planning to complete a holistic and comprehensive study and plan for green infrastructure opportunities in the State; and
- (2) Appropriate to the State Sustainability Coordinator funds for the completion of the green infrastructure study and plan.

Your Committees received testimony in support of this measure from the Office of Planning, Ulupono Initiative, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii Farm Bureau Federation, and four individuals.

Your Committees find that the creation of green infrastructure plans at the state level can generate strategies to enhance and preserve parks, agriculture, forest lands, and coastal areas. State green infrastructure plans can also identify where the State can save on water management costs, decrease pollution, lower flooding risks, and address climate change. However, the State lacks a system to determine the most effective use of green infrastructure in Hawaii. Without green infrastructure planning, the State risks losing valuable opportunities to cost effectively preserve the State's environment and increase quality of life for residents. Accordingly, this measure requires a holistic and comprehensive study and plan for green infrastructure opportunities in the State.

Your Committees have amended this measure by:

- (1) Requiring the State Sustainability Coordinator of the Office of Planning to submit to the Legislature a progress report prior to the convening of the Regular Session of 2020 and a final report prior to the convening of the Regular Session of 2021;
- (2) Inserting an appropriation amount of \$750,000 for the State Coordinator to complete a holistic and comprehensive study and plan for green infrastructure opportunities in the State;
- (3) Changing the effective date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2545, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2545, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 3081 (Joint) Agriculture and Environment and Commerce, Consumer Protection, and Health on H.B. No. 2626

The purpose and intent of this measure is to:

- (1) Require the Department of Health to hire a third-party consultant to conduct a study on the issues relating to the upgrade or conversion of cesspools; and
- (2) Establish the cesspool conversion working group to assist the third-party consultant on the study.

Your Committees received testimony in support of this measure from the Department of Health, Office of the Mayor of the County of Hawaii, City and County of Honolulu Department of Environmental Services, County of Hawaii Department of Environmental Management, Coral Reef Alliance, ILWU Local 142, Surfrider Foundation Oahu Chapter, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and fourteen individuals. Your Committees received comments on this measure from Envirocycle Cesspool Replacements.

Your Committees find that Hawaii has 88,000 cesspools that deposit approximately 53,000,000 gallons of raw sewage directly into the groundwater every day. Drinking water, public recreation, and the precious coral reefs, on which Hawaii's economy, shoreline, recreation, fisheries, and native species depend, are or may be harmed by such pollution. Your Committees further find that costs, terrain, and other geologic and geographic factors complicate the upgrading or conversion of cesspools in many areas of the State.

Your Committees have amended this measure by:

- (1) Extending the deadline for the Department of Health to submit the study to the Legislature from December 31, 2019, to December 31, 2020; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2626, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2626, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Espero, Ruderman).

SCRep. 3082 Housing on H.B. No. 2472

The purpose and intent of this measure is to specify that certain provisions of the Internal Revenue Code related to at-risk rules and deductions and to passive activity loss do not apply with respect to claims for the state low-income housing tax credit.

Your Committee received testimony in support of this measure from the Department of Taxation, Hawaii Housing Finance and Development Corporation, InState Partners, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that under existing law, the state low-income housing tax credit is difficult to use for Hawaii taxpayers other than large corporations or financial institutions. As a result, this lowers the demand and equity that can be generated for each dollar of this tax credit that is issued.

Your Committee further finds that Act 129, Session Laws of Hawaii 2016, addressed an aspect of this issue by accelerating the low-income housing tax credit from ten to five years. This acceleration makes the tax credit available to smaller taxpayers who are better able to forecast their income tax liability over a five-year, rather than ten-year, span. This measure builds on the incentives provided under Act 129, Session Laws of Hawaii 2016, by eliminating the applicability of the at-risk and passive activity loss rules to the low-income housing tax credit. This will allow affordable rental housing developers to decouple the tax credit from an ownership share in affordable rental projects being financed, thereby allowing any Hawaii taxpayer with income tax liability to use the low-income housing tax credit.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of Taxation that caps the state low-income housing tax credit at fifty percent of the federal low-income housing tax credit to avoid noncompliance with section 42(k) of the Internal Revenue Code; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2472, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2472, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Nishihara).

SCRep. 3083 Judiciary on H.B. No. 2134

The purpose and intent of this measure is to amend the offense of violation of privacy in the first degree to:

- (1) Prohibit disclosure or threatened disclosure of an image or video when the disclosure or threatened disclosure is an act of revenge or retribution;
- (2) Enhance the penalty if the person or persons entitled to privacy or the depicted person is a minor; and
- (3) Require that any recording or image that is a violation of the offense of violation of privacy in the first degree be sealed and remain confidential.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Department of the Prosecuting Attorney of the City and County of Honolulu, Honolulu Police Department, UNITE, IMUAlliance, Hawaii Women Lawyers, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and one individual.

Your Committee finds that the increasing prominence and ubiquity of personal electronics and social media has created conditions that can be easily exploited by persons with the intention to violate the privacy of others. "Revenge pornography", or the nonconsensual disclosure of images or videos of individuals engaged in a sex act or in the nude, is a serious issue that disproportionately affects women. Revenge pornography has a broad spectrum of consequences ranging from embarrassment and humiliation to forced sex trafficking. This measure will explicitly include acts of revenge pornography within the offense of violation of privacy in the first degree.

Your Committee notes that nudity and sexual conduct in public places are already discouraged as a matter of public policy and there is some concern that allowing an exception to the exemption for such conduct in public places if the disclosure is an act of revenge or retribution creates an expectation of privacy in public places. Your Committee also notes concern regarding the meaning of "retribution", and the types of contexts that might arise for prosecution based on this term. As this measure proceeds, your Committee encourages further discussion on these issues.

Your Committee has amended this measure by:

- (1) Deleting the enhanced penalty if the person or persons entitled to privacy or the depicted person is a minor;
- (2) Deleting the exception to the exemption for conduct in public places if the disclosure is an act of revenge or retribution; and
- (3) Inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2134, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2134, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3084 Water and Land on S.C.R. No. 16

The purpose and intent of this measure is to provide the legislative approval required by law to dedicate Leali'i Parkway to the County of Maui.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; Office of the Mayor, County of Maui; and one individual.

Your Committee finds that the Hawaii Housing Finance and Development Corporation proposes to dedicate the fee interest in Leali'i Parkway to the County of Maui. The roadway is a 134,045 square foot parcel serving the Villages of Leali'i master plan community in Lahaina. The Villages of Leali'i includes Department of Hawaiian Home Lands and Hawaii Housing Finance and Development Corporation housing developments. The fair market value of the Leali'i Parkway was \$1 as of July 24, 2017. Since the

Corporation has met all statutory prerequisites, this measure will provide legislative approval of the dedication of the fee interest in accordance with section 171-64.7, Hawaii Revised Statutes, relating to legislative approval of the sale or gift of lands.

Your Committee has amended this measure by:

- (1) Adding language to indicate that the Hawaii Housing Finance and Development Corporation will work with the Department of Hawaiian Home Lands and the County of Maui to finalize the dedication of the parkway; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 16, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 16, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3085 (Joint) Agriculture and Environment and Transportation and Energy on H.B. No. 2182

The purpose and intent of this measure is to:

- (1) Repeal Act 33, Session Laws of Hawaii 2017 (Act 33), and create a new task force named as the Greenhouse Gas Sequestration Task Force which has similar aims as the Carbon Farming Task Force created by Act 33, but expands and extends the task force until January 1, 2045;
- (2) Align the State's clean energy and carbon sequestration efforts with climate initiative goals, and require that a member of the Greenhouse Gas Sequestration Task Force also be a member of the Climate Change Mitigation and Adaptation Commission; and
- (3) Expand the mission of the Greenhouse Gas Sequestration Task Force by requiring that the task force examine opportunities to exploit carbon sequestering trees and vegetation to reduce urban temperatures and thereby protect public health.

Your Committees received testimony in support of this measure from Healthy Climate Communities, Organizing for Action, Life of the Land, Sierra Club of Hawai'i, 350Hawaii.org, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Maui County Farm Bureau, The Outdoor Circle, and seventeen individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources, Department of Health, and Office of Planning.

Your Committees finds that the Carbon Farming Task Force was established to benefit local farmers in Hawaii through additional subsidies and support to grow local agriculture, create jobs, and diversify the State's economy. The task force was charged with identifying agricultural and aquacultural land management practices that sequester carbon to provide greenhouse gas reduction benefits, enhance sustainability of Hawaii's agricultural lands, decrease sedimentation of the marine environment, improve the climate resistance of Hawaii's agricultural sector, and create new opportunities for local farmers. Your Committees further find that due to the serious threat that climate change poses to Hawaii, it is in the State's best interest to rename and expand the task force.

Your Committees have amended this measure by:

- (1) Deleting duplicative language that would have amended chapter 342B, Hawaii Revised Statutes, to require a statewide target to sequester more atmospheric carbon and greenhouse gases than are emitted within the State by 2045;
- (2) Deleting language that would have required that after January 1, 2020, all agency plans, decisions, and strategies must give consideration to the impact of those plans, decisions, and strategies on the State's ability to achieve the statewide target to sequester more atmospheric carbon and greenhouse gases;
- (3) Repealing language in Act 32, Session Laws of Hawaii 2017, that would have repealed chapter 225P, Hawaii Revised Statutes, to make chapter 225P, Hawaii Revised Statutes, and the task force permanent;
- (4) Inserting an appropriation amount of \$150,000;
- (5) Requiring the Office of Planning to submit a status update report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2021; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2182, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2182, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3086 (Joint) Agriculture and Environment and Labor on H.B. No. 2115

The purpose and intent of this measure is to appropriate funds for the operations of the K-12 agriculture workforce development pipeline initiative.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations; Department of Agriculture; Department of Education; Hawaii State Teachers Association; Hawai'i Farm Bureau; Land Use Research Foundation of Hawaii; Hawaii Farmers Union United; Hawaii Crop Improvement Association; Hawaii Island Economic Development Board;

Kulahaven Farms LLC; Maui County Farm Bureau; Hawaii Cattlemen's Council, Inc.; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and fifteen individuals.

Your Committees find that Act 229, Session Laws of Hawaii 2016, implemented the recommendation of the Hawaii Agriculture Workforce Advisory Board to establish the K-12 agriculture workforce development pipeline initiative to conduct training on all islands for teachers and school administrators in agricultural self-sufficiency. Your Committees further find that financial support for the initiative is in the best interest of the State as it promotes the expansion and development of the State's agricultural workforce and industry.

Your Committees have amended this measure by:

- (1) Inserting an appropriation amount of \$200,000;
- (2) Requiring the Department of Labor and Industrial Relations to submit annual reports to the Legislature; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2115, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2115, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

Labor: Ayes, 3. Noes, none. Excused, 2 (Ihara, Taniguchi).

SCRep. 3087 Labor on H.B. No. 2202

The purpose and intent of this measure is to require that a duly qualified physician or duly qualified surgeon selected and paid for by an employer to perform a medical examination on an employee relating to a work injury under workers' compensation law shall be duly qualified to treat the injury being examined, possess medical malpractice insurance, and owe the same duty of care to the injured employee as to a traditional patient.

Your Committee received testimony in support of this measure from the Work Injury Medical Association of Hawaii, ILWU Local 142, Hawaii Medical Association, Hawaii Injured Workers Association, Pacific Medical Group, and three individuals. Your Committee received testimony in opposition to this measure from Hawaiian Electric Co., Inc. Your Committee received comments on this measure from the Department of Labor and Industrial Relations and City and County of Honolulu Department of Human Resources.

Your Committee finds that currently, an examination related to a work injury under workers' compensation may be done by a physician that does not have expertise in the area of a worker's injury. Your Committee believes that the examination should be required to be performed by a physician or surgeon with special expertise for the injury being examined and that injured employees deserve the same duty of care as any other patient.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2202, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3088 Labor on H.B. No. 1768

The purpose and intent of this measure is to allow public inspection and duplication of salary ranges, rather than exact compensation, for legislative employees.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO and one individual. Your Committee received testimony in opposition to this measure from Common Cause Hawaii, Society of Professional Journalists Hawaii Chapter, Civil Beat Law Center for the Public Interest, League of Women Voters, and two individuals. Your Committee received comments on this measure from the Office of Information Practices.

Your Committee finds that taxpayers want to know how and where their tax dollars are being spent and therefore government must be held accountable and demonstrate transparency; however, employees are entitled to a degree of privacy, and publishing any employee's exact salary amount without discretion does not adequately support an individual employee's expectation of privacy or achieve a substantive means of accounting for government expenditures.

Your Committee acknowledges that this measure is a work in progress and notes that while it is important for taxpayers to know the exact compensation of high salary government employees, lower wage government employees should be afforded basic privacy and respect in doing their jobs. Furthermore, availability of a government employee's exact compensation may lead to greater pay disparity if future employers base salary offers on employees' former government salaries.

As this measure moves forward, your Committee requests that your Committee on the Judiciary look at civil service versus civil service exempt employees as a way to delineate between employees whose exact salaries are available versus those whose salary ranges are available for public inspection and duplication.

Your Committee has amended this measure by:

- (1) Deleting its contents and replacing it with the contents of S.B. No. 2870, S.D. 1 (Regular Session 2018), which:

- (A) Specifies that salary ranges within \$15,000 for legislative employees shall be made available for public inspection and duplication; and
 - (B) Deletes legislative officers as defined by section 88-21, Hawaii Revised Statutes, and legislative service agency directors and officers as defined by section 21E-1, Hawaii Revised Statutes, from the definition of "legislative employees" but specifies that non-managerial employees of legislative service agencies as defined by section 21E-1, Hawaii Revised Statutes, are included within that definition; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1768, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1768, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Ihara, Taniguchi). Noes, none. Excused, none.

SCRep. 3089 Labor on H.B. No. 2336

The purpose and intent of this measure is to allow payment of employer contributions to the Employees' Retirement System (ERS) in advance of the fiscal year in which the contributions are required.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and Board of Trustees of the Employees' Retirement System.

Your Committee finds that currently, the ERS is not able to accept employer contributions in advance of the fiscal year in which the contributions are required. This measure would allow employers to remit cash in advance and to receive credit against future contribution obligations; therefore, giving employers more flexibility in making payments. Additionally, advance payments will assist the ERS to reduce the plan's unfunded liabilities over time.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2018; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2336, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2336, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3090 Economic Development, Tourism, and Technology on H.B. No. 2557

The purpose and intent of this measure is to appropriate funds to the Department of Business, Economic Development, and Tourism, to continue to support the Pacific International Space Center for Exploration Systems' (PISCES) internship and economic development programs.

Your Committee received testimony in support of this measure from the Pacific International Space Center for Exploration Systems and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the primary objective of PISCES is to work with the youth in Hawaii to develop their experience in the work force in order to be better prepared for a career in the high tech job market. Your Committee further finds that through its internships, mentorships, and its Science, Technology, Engineering, and Math Aerospace Research Scholars (STARS) program for women, PISCES has provided hands-on work experience to over thirty university students and has introduced over thirty high school girls to the field of science, technology, engineering, and math. Your Committee believes that the internship and economic development programs provided by PISCES are valuable to the State, as they equip Hawaii's youth with the necessary skills to enter the high tech work force, and your Committee supports the continuation of these programs to better prepare the upcoming generation of scientists, engineers, mathematicians, and major contributors to the high tech industry.

Your Committee has amended this measure by:

- (1) As suggested by the Office of Enterprise Technology Services, inserting a ceiling of \$1,000,000 for the Pacific International Space Center for Exploration Systems special fund; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2557, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2557, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3091 Economic Development, Tourism, and Technology on H.B. No. 2080

The purpose and intent of this measure is to:

- (1) Appropriate funds to award grants, subject to matching funds, that enable software application challenge participants to develop the proofs of concept created during the challenge into prototypes;
- (2) Establish application requirements for grants, to include an overview of the proof of concept, an adoption plan for the application, budget components for the software application's development, and expected outcomes if awarded the grant; and
- (3) Authorize the Hawaii Technology Development Corporation to expend some of the funds appropriated to support and manage the application challenge events and resultant prototypes and projects.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Office of Enterprise Technology Services, Hawaii Technology Development Corporation, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Transform Hawai'i Government, and Hawaii Open Data.

Your Committee finds that supporting software developed by the public engages the local tech community in helping to modernize state government and develop innovative tools and applications that will enhance the services provided by the State to better serve the public. Your Committee further finds that events such as the Hawaii Annual Code Challenge promotes civic engagement and open government, and works to find innovative solutions for challenges faced by the government. Your Committee notes that providing support for events such as the Hawaii Annual Code Challenge will bridge the gap between a proof of concept, a prototype, and a commercial product. Your Committee believes that supporting the local tech community has the potential to establish startup businesses, thereby expanding the small business community in Hawaii.

Your Committee recognizes the challenge that nongovernment donors may face in matching up to fifty percent of the other sources of funds per project.

Accordingly, your Committee has amended this measure by:

- (1) Decreasing the minimum percentage of monies that must be sourced from nongovernment sources from fifty percent to twenty-five percent; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2080, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2080, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3092 Commerce, Consumer Protection, and Health on H.B. No. 2611

The purpose and intent of this measure is to appropriate funds to establish the following substance abuse treatment programs:

- (1) A comprehensive and coordinated continuum of treatment services;
- (2) A comprehensive and coordinated centralized referral system in each county;
- (3) A comprehensive and coordinated substance use disorder case management program; and
- (4) A peer mentoring and coaching program.

Your Committee received testimony in support of this measure from the Department of Health, Hawai'i Substance Abuse Coalition, Drug Policy Forum of Hawai'i, Mental Health America of Hawai'i, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Salvation Army Addiction Treatment Services and Family Treatment Services, Life Foundation and the CHOW Project, and two individuals.

Your Committee finds that substance abuse disorders pose a pervasive public health concern and that individuals suffering from substance abuse disorders frequently have other health conditions that complicate treatment. Substance abuse disorders affect multiple segments of the community, making a multi-systemic approach, such as the initiatives proposed to be funded by this measure, particularly instrumental in addressing these disorders. Your Committee further finds that this measure aligns with ongoing work to implement a broad system of care that includes substance abuse prevention, treatment and recovery support, a centralized statewide referral system, use of case managers who have been trained to effectively assist individuals with multiple, chronic conditions, and peer mentoring, which is a national best practice that connects individuals with substance abuse disorders to peers with firsthand experience in recovery or other individuals who can provide needed support.

Your Committee notes that this measure has an effective date of July 1, 3000, and a blank appropriation amount, and requests that your Committee on Ways and Means insert an appropriate effective date and appropriation amount.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2611, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3093 Commerce, Consumer Protection, and Health on H.B. No. 1895

The purpose and intent of this measure is to appropriate funds to assist the Department of Health in reviewing, certifying, and recertifying dialysis centers in Hawaii and other health care facilities under the purview of the Department of Health.

Your Committee received testimony in support of this measure from the Department of Health, Healthcare Association of Hawai'i, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, National Kidney Foundation, Liberty Dialysis Hawai'i and Fresenius Medical Care of North America, and U.S. Renal Care, Inc.

Your Committee finds that 168,000 Hawaii residents suffer from chronic kidney disease, representing approximately one in seven Hawaii residents. Your Committee further finds that approximately four thousand Hawaii residents require dialysis three times per week, and that this number continues to grow by approximately seven hundred per year. Accordingly, additional dialysis centers are planned but require review and certification from the Department of Health before they can be reimbursed for treatment of Medicare and Medicaid patients, who make up eighty-five percent of Hawai'i's dialysis population. The review and certification process takes nearly three years to complete, due in part to a shortage of funds and personnel. Your Committee finds that the funds appropriated by this measure will expedite the review and certification process for dialysis centers.

Your Committee notes that this measure has an effective date of July 1, 3000, and a blank appropriation amount and requests that your Committee on Ways and Means insert an appropriate effective date and appropriation amount.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1895, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3094 Commerce, Consumer Protection, and Health on H.B. No. 1802

The purpose and intent of this measure is to amend the cesspool upgrade, conversion, or connecting income tax credit by repealing the provision that restricts the Department of Health from certifying more than two residential large capacity cesspools as qualified cesspools.

Your Committee received testimony in support of this measure from the Department of Health and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that there are approximately 88,000 cesspools in Hawaii, discharging approximately 53,000,000 gallons of untreated sewage into the groundwater every day. Groundwater flows into drinking water sources and recreational waters, harming public health and the environment. Your Committee finds that the cost of upgrading cesspools is high, averaging \$20,000 to \$30,000 per cesspool, but that some of those costs can be recovered through the cesspool upgrade, conversion, or connection income tax credit. Your Committee finds that this measure will allow the Department of Health to certify more than two residential large capacity cesspools as qualified cesspools per year for purposes of claiming the income tax credit, thereby improving utilization of the tax credit and speeding the pace of cesspool upgrades.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1802, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1802, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3095 Commerce, Consumer Protection, and Health on H.B. No. 1906

The purpose and intent of this measure is to make intentionally or knowingly causing bodily injury to certain health care workers a class C felony.

Your Committee received testimony in support of this measure from the Department of Health, Board of Nursing, Hawaii Nurses Association OPEIU Local 50, Hawaii Primary Care Association, Hawaii Medical Association, Hawaii Health Systems Corporation, Kaiser Permanente, Hilo Medical Center, Hawaii Medical Service Association, The Queen's Health Systems, Legacy of Life Hawaii, Healthcare Association of Hawaii, Hawaii Government Employees Association, Hawaii Public Health, and one individual.

Your Committee finds that health care workers may be less likely to report assaults under existing law, in part because the offense of assault in the third degree is classified as a misdemeanor and therefore is capable of being expunged from the offender's record and subject to a time served sentence. Your Committee finds that this measure will extend protections for health care workers, encourage prosecution of individuals who assault health care workers, and assist in the retention of needed health care workers by elevating the offense of assault of a health care worker who is engaged in the performance of duty to a felony. In so doing, this measure will provide an equal level of protection for health care workers as for employees of state-operated or state-contracted mental health facilities.

Your Committee has amended this measure by:

- (1) Inserting a purpose section to clarify its intent;
- (2) Expanding the definition of "person who is engaged in the performance of duty at a health care facility" to include administrators, students, volunteers, and any other workers supporting the functions of the health care facility;
- (3) Removing references to persons employed or contracted by a mutual benefit society;
- (4) Inserting an effective date of July 1, 2035, to encourage further discussion; and

- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1906, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1906, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3096 (Joint/Majority) Labor and Government Operations on H.B. No. 2420

The purpose and intent of this measure is to establish restrictions on the participation in partisan political activities of certain state employees and officers who regularly engage in adjudicatory, regulatory, law enforcement, or investigatory duties.

Your Committees received testimony in support of this measure from the Hawaii State Ethics Commission, Common Cause Hawaii, and one individual.

Your Committees find that the State should ensure that state officials work to promote the best interests of the people of Hawaii. Your Committees support efforts to protect state officials and the public from coercion by high-level state employees and likewise, support efforts to ensure that state programs are administered in a non-partisan fashion.

Your Committees further find that this measure as introduced contained penalty provisions. Without penalty provisions, this measure lacks teeth and does not act as a strong deterrent to employees who may otherwise commit violations; therefore, your Committees believe that the penalty provisions should be reinserted.

Accordingly, your Committees have amended this measure by:

- (1) Reinserting the penalty provision that imposes an administrative fine not to exceed \$1,000 for each violation by any officer or employee who violates the prohibitions on political participation; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Labor and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2420, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2420, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Labor: Ayes, 3. Noes, 2 (Chang, Taniguchi). Excused, none.

Government Operations: Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 3097 (Joint/Majority) Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2593

The purpose and intent of this measure is to promote the humane treatment of feral cats by:

- (1) Requiring an unspecified agency to contract with a nonprofit animal rescue group to oversee caretakers of feral cats;
- (2) Exempting registered caretakers of feral cats from state and county laws relating to the feeding and confinement of cats; provided that the caretakers are registered with the contracted rescue group; and
- (3) Establishing a feral cat trap-sterilize-return process.

Your Committees received testimony in support of this measure from the Hawaii Association of Animal Welfare Agencies, Hawaiian Humane Society, The Humane Society of the United States, West Hawaii Humane Society, Joey's Feline Friends, Poi Dogs & Popoki, Cat People of Oahu, #SpeakUp Movement, Hawaii Happy Cats, Animal Rights Hawai'i, Feline Foundation of Maui, and one hundred two individuals. Your Committees received testimony in opposition to this measure from the Department of Land and Natural Resources, Office of Hawaiian Affairs, American Bird Conservancy, Coordinating Group on Alien Pest Species, Conservation Council for Hawaii, and twenty-six individuals. Your Committees received comments on this measure from the Department of Health and two individuals.

Your Committees find that free-roaming cat issues remain complex and controversial. This measure proposes to recognize and register cat caregivers to ensure the use of standard cat management practices, generate data to guide ongoing or future efforts, and afford protections only to those individuals who are in compliance with such standards of care, which must include recognition of areas where cats should not be managed or maintained due to wildlife or other concerns. Your Committees further find that it is critical to the State's efforts to protect indigenous and endangered wildlife that free-roaming cat populations be reduced; however, a balance must be struck to provide humane treatment to free-roaming cats. Trap-sterilize-return-manage is a process that allows for humane treatment and population reduction of free-roaming cats.

Your Committees have amended this measure by:

- (1) Replacing the terms "caretaker", "contracted rescue group", "feral cat", and "trap-sterilize-return" with "caregiver", "animal care or rescue group", "free-roaming cat", and "trap-sterilize-return-manage", respectively;
- (2) Deleting unnecessary definitions;
- (3) Clarifying the definitions of "animal care or rescue group", "caregiver", and "trap-sterilize-return-manage";
- (4) Deleting language that would have required a state agency to contract with a rescue group;

- (5) Clarifying that animal care or rescue groups may register caregivers of free-roaming cats; provided that they meet certain record keeping, reporting, and management responsibilities and requirements;
- (6) Requiring animal care or rescue groups to make reasonable efforts to mediate and resolve concerns regarding the presence of a known free-roaming cat colony managed by a registered caregiver on or immediately adjacent to property managed by a federal, state, or county agency for the primary purpose of protection of wildlife;
- (7) Requiring animal care or rescue groups to submit annual reports relating to the trap-sterilize-return-manage process to the Senate standing committee and the House of Representatives standing committee whose purviews include agriculture;
- (8) Providing that registered caregivers are exempt from any state or county statute, ordinance, regulation, rule, or other law that:
 - (A) Prohibits the feeding or care of stray cats or requires a permit to do so;
 - (B) Mandates the confinement of cats; or
 - (C) Limits the number of cats that a person may own, harbor, or have custody of;
- (9) Clarifying that the registered caregiver exemption shall not be construed to limit the enforcement of any law or ordinance requiring the sterilization of cats or prohibiting cruelty to animals;
- (10) Clarifying the responsibilities of a registered caregiver in the trap-sterilize-return-manage process;
- (11) Deleting the requirement for the Department of Health to adopt administrative rules necessary for this measure;
- (12) Requiring animal care or rescue groups to submit a five-year summary report on the results of the trap-sterilize-return-manage process to the Legislature no later than twenty days prior to the convening of the Regular Session of 2023;
- (13) Amending the preamble to reflect its amended purpose;
- (14) Changing its effective date to January 1, 2018, and inserting a repeal date of December 31, 2022; and
- (15) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees request that as this measure moves forward, your Committee on Judiciary consider the concerns raised in testimony regarding entry of caregivers upon protected wildlife habitats.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2593, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2593, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 3; Ayes with Reservations (Rhoads). Noes, 2 (Riviere, Ruderman). Excused, none.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4; Ayes with Reservations (Baker, Thielen, Wakai). Noes, none. Excused, 1 (Ihara).

SCRep. 3098 (Joint) Government Operations and Labor on H.B. No. 2671

The purpose and intent of this measure is to appropriate funds to various agencies to collaboratively develop and implement agreed upon solutions to assist displaced workers on the island of Molokai.

Your Committees received testimony in support of this measure from the Department of Agriculture; Department of Labor and Industrial Relations; Department of Human Resources Development; University of Hawai'i System; three members of the Maui County Council; United Public Workers, AFSCME, Local 646, AFL-CIO; Hawai'i Farm Bureau; Hawaii Crop Improvement Association; and three individuals. Your Committees received comments on this measure from the Office of the Governor and Department of Business, Economic Development, and Tourism.

Your Committees find that the island of Molokai has struggled for years with limited opportunities for gainful and consistent employment. Recently, this problem has been exacerbated by the relocation of some employer companies off the island. Your Committees recognize that as a result of the job losses and their trickle-down effects, families on Molokai may lose their homes, cars, and ability to pay for their children's college tuition. Accordingly, your Committees find that it is important to support the continued availability of gainful employment on Molokai.

However, your Committees note that there are questions about how the proposals will be effectively implemented once enacted, especially with regard to the expenditure of appropriated funds. Therefore, in order for the Legislature to administer proper oversight, your Committees find that it is necessary to require the Office of the Governor to submit a report to the Legislature detailing the efforts of the offices and departments involved and the expenditures made in pursuit of those efforts.

Accordingly, your Committees have amended this measure by:

- (1) Requiring the Office of the Governor to submit a report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019 detailing the efforts made and expenditures of all offices and departments appropriated funds to assist dislocated workers and address the overall continued availability of gainful employment on the island of Molokai; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2671, H.D. 1, as amended herein, and recommend

that it pass Second Reading in the form attached hereto as H.B. No. 2671, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Government Operations: Ayes, 4. Noes, none. Excused, 1 (Galuteria).
 Labor: Ayes, 5. Noes, none. Excused, none.

SCRep. 3099 Government Operations on H.B. No. 1669

The purpose and intent of this measure is to:

- (1) Repeal the fifteen-year limit on the granting of concession contracts and repeal the exemption from the fifteen-year limitation for non-profits;
- (2) Allow the granting of thirty-year contracts for concession space if certain conditions are met;
- (3) Allow qualified offerors to submit proposals for concessions on public property;
- (4) Specify advertising, submission, opening, and deposit or bond requirements for proposals for concessions on public property; and
- (5) Require that the responsible officer award the contract to, and negotiate with, the offeror whose proposal is determined to be the most advantageous to the State.

Your Committee received testimony in support of this measure from the State Procurement Office.

Your Committee finds that concessions on public property benefit the public by providing goods and services and revenue to support the properties' operations. Under existing law, agreements for concession entered into by vendors and a government agency are awarded based on the highest responsible bid. However, this bid process does not necessarily consider each potential vendor's total potential benefit to the public. However, the "best value" process, or competitive sealed bid proposals, would allow a government agency to consider all potential benefits, such as a vendor's consistency, reliability, responsiveness, and overall ability to enhance customer experiences, in considering bid proposals.

However, your Committee finds that extending the maximum allowable time period for concession contracts to thirty years would not enhance the effectiveness of concession contracts. Your Committee has concerns that allowing a longer contract period would lessen government's effectiveness in providing quality concessions.

Moreover, your Committee finds that this measure's proposals relating to the awarding of concession contracts should be strengthened to ensure that procurement officers and others involved in the process act in adherence to the State's requirements of ethical public procurement. Further, your Committee finds that under the existing proposal in this measure the procurement officer charged with awarding concession contracts is afforded a wide range of authority which may lead to questions about the legitimacy and fairness of contract awards.

Accordingly, your Committee has amended this measure by:

- (1) Re-establishing the existing fifteen-year limit for concession contracts;
- (2) Requiring that concession contracts be awarded by a procurement officer based on the rankings of a committee of a minimum of three individuals designated by the procurement officer to review and evaluate proposals from offerors;
- (3) Requiring that all persons involved in the review, evaluation, or awarding of concession contracts adhere to all requirements of ethical public procurement under section 103D-101, Hawaii Revised Statutes; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1669, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1669, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
 Ayes, 5. Noes, none. Excused, none.

SCRep. 3100 (Joint) Government Operations and Agriculture and Environment on H.B. No. 2026

The purpose and intent of this measure is to require the Legislative Reference Bureau to update their 1985 study, "The Feasibility of Environmental Reorganization for Hawaii," and assess the feasibility of implementing findings and recommendations of the 1991 Department of Environmental Protection Task Force.

Your Committees received testimony in support of this measure from the Department of Environmental Management for the County of Hawaii, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Sierra Club of Hawai'i, and nine individuals. Your Committees received testimony in opposition of this measure from the State Procurement Office. Your Committees received comments on this measure from the Legislative Reference Bureau.

Your Committees find that proper management of the State's environmental resources is essential for the State's future sustainability. Your Committees further find that state government should operate as efficiently as possible to make the best use of government resources, personnel, and taxpayer dollars as it works to achieve the policy goals enacted by the Legislature on behalf of the people. However, your Committees find that under existing law natural resource and environmental management is inefficiently split among many departments and agencies. In addition, your Committees find that several governmental departments and agencies suffer from internal conflicts of interest and being charged with an overly broad scope and mission.

Your Committees further find that the study on, "The Feasibility of Environmental Reorganization for Hawaii", which, in part, discussed the creation of a state Department of Environmental Protection. In addition, your Committees find that the Legislature, through Act 293, Session Laws of Hawaii 1991, temporarily placed a Department of Environmental Protection in the Hawaii Revised Statutes. The subsequent Department of Environmental Protection task force report recommended the establishment of a permanent Department of Environmental Protection. However, no consensus could be reached on a strategy for the overall establishment of the new department at that time. Your Committees find that given the immediate and growing need to appropriately address environmental concerns in the State, the State could benefit from the establishment of a Department of Environmental Protection and other suggestions relating to the reorganization of the State's environmental management. Therefore, your Committees find that the Legislative Reference Bureau should update its 1985 study and assess the feasibility of implementing any findings and recommendations of the aforementioned Department of Environmental Protection task force report.

However, your Committees acknowledge the concerns raised by the State Procurement Office relating to the measure's exemption from the state procurement code for contracts made by the Legislative Reference Bureau under this measure. Your Committees find that this measure should not exempt the Legislative Reference Bureau from the procurement code.

Your Committees have amended this measure by:

- (1) Deleting the exemption from chapter 103D, Hawaii Revised Statutes, for contracts entered into by the Legislative Reference Bureau pursuant to this measure;
- (2) Changing the amount appropriated from an unspecified amount to \$150,000; and
- (3) Changing the effective date to July 1, 2018.

As affirmed by the records of votes of the members of your Committees on Government Operations and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2026, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2026, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Government Operations: Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Ruderman).

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 3101 Government Operations on H.B. No. 2178

The purpose and intent of this measure is to remove the \$10,000 maximum limit on the cash or protest bond that must be posted for a procurement award protest.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services, Department of Transportation, and State Procurement Office. Your Committee received testimony in opposition to this measure from the Hawaii Procurement Institute and one individual.

Your Committee finds that greater efficiency in the bid process for procurement contracts is necessary to eliminate government waste and increase government efficiency. Your Committee also finds that bid protests account for many of the delays in the bid process. Under existing law the party initiating a protest must provide in a cash or protest bond one-half percent of the total value for contracts with an estimated value of \$1,000,000 or more and the maximum cash or protest bond amount is capped at \$10,000. Your Committee finds that the existing percentage and maximum allowable cash or protest bond is too low and consequently provides no deterrent for those who might unnecessarily delay a public works project. Therefore, your Committee finds that the cash or protest bond for contracts with an estimated value of \$1,000,000 or more should be raised to five percent of the total value of the contract and the maximum cash or protest bond amount should be raised to \$10,000,000 to increase the efficiency of the bid process for procurement contracts. In addition, your Committee finds that the prevailing party in such protest actions should be entitled to attorneys' fees and costs.

Accordingly, your Committee has amended this measure by:

- (1) Establishing that an initiating party must pay cash or protest bond equal to five percent of the estimated value of the contract if the estimated value of the contract is \$1,000,000 or more;
- (2) Establishing a \$10,000,000 maximum limit on a cash or protest bond that must be posted for a procurement award protest;
- (3) Establishing that the prevailing party in an administrative protest hearing is entitled to attorneys' fees and costs; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2178, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2178, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3102 Commerce, Consumer Protection, and Health on H.B. No. 1916

The purpose and intent of this measure is to prepare for an expected increase in individuals affected by Alzheimer's disease and related dementias by:

- (1) Requiring the Executive Office on Aging to annually update the State Plan on Alzheimer's Disease and Related Dementias (State Plan);

- (2) Requiring the Executive Office on Aging to include a work plan specifying the tasks, timelines, and milestones for each goal of the State Plan as part of the State Plan's annual update; and
- (3) Appropriating funds for the Executive Office on Aging to update the State Plan.

Your Committee received testimony in support of this measure from the St. Francis Healthcare System of Hawaii; Alzheimer's Association, Aloha Chapter; Hawaii Public Health Association; Ohana Home Health, LLC; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Manoa Cottage; and seven individuals. Your Committee received comments on this measure from the Executive Office on Aging.

Your Committee finds that Alzheimer's disease is the sixth leading cause of death in the United States. Your Committee further finds that an estimated twenty-seven thousand individuals in Hawaii live with Alzheimer's disease, and that this number is expected to grow to thirty-five thousand by 2025. However, the Executive Office on Aging has not updated the State Plan since it was issued in 2013. Accordingly, your Committee finds that regular updates of the State Plan will ensure accountability and progress in addressing the needs of the aging population of the State.

Although regular updates to the State Plan are important, your Committee recognizes the burden that annual updates may impose on the Executive Office on Aging. Your Committee finds that biennial updates are sufficient to ensure the necessary systemic coordination, provided that the Executive Office on Aging includes updates on progress made toward the goals of the State Plan as part of its existing annual report to the Legislature. Your Committee finds that this will reduce the burden on the Executive Office on Aging while still accomplishing the purpose of this measure.

Your Committee has amended this measure by:

- (1) Requiring that the Executive Office on Aging update the State Plan on Alzheimer's Disease and Related Dementias once every fiscal biennium, rather than every year;
- (2) Requiring that the Executive Office on Aging provide an update on progress made toward the goals of the State Plan on Alzheimer's Disease and Related Dementias as part of its annual report to the Legislature, rather than as a separate report to the Legislature and Governor;
- (3) Changing its effective date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1916, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1916, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3103 Commerce, Consumer Protection, and Health on H.B. No. 2741

The purpose and intent of this measure is to establish a working group to address reimbursement by health insurance for medical cannabis for qualifying patients.

Your Committee received testimony in support of this measure from the Hawaii Educational Association of Licensed Therapeutic Healthcare, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and one individual. Your Committee received comments on this measure from the Legislative Reference Bureau.

Your Committee finds that Act 230, Session Laws of Hawaii 2016, established a legislative oversight group to develop and recommend legislation to improve the medical cannabis dispensary system in the State to ensure safe and legal access to medical cannabis for qualifying patients. Your Committee further finds that the working group explored the potential for medical cannabis costs to be reimbursable through health insurance. However, your Committee finds that the issues surrounding health insurance reimbursement for medical cannabis are complex enough to warrant a separate, dedicated working group modeled on the original working group.

Your Committee further finds that a plethora of voices are needed to ensure that all relevant interests are heard in the operations of this working group, including the interests of mutual benefit societies, health maintenance organizations, cannabis dispensaries, and adult and minor cannabis-using qualifying patients. Your Committee finds that language modeled on Act 230, Session Laws of Hawaii 2016, which established the original legislative oversight group, is appropriate to include these additional representatives.

Your Committee has amended this measure by:

- (1) Amending the membership of the working group to:
 - (A) Allow designees of the Chairs of the Senate Committee on Commerce, Consumer Protection, and Health and House Committee on Consumer Protection and Commerce to serve on the working group;
 - (B) Remove the representatives from the Hawaii Medical Service Association, Kaiser Permanente Hawaii, AlohaCare, and Hawaii Education Association for Licensed Therapeutic Healthcare and include instead one representative each from a mutual benefit society, health maintenance organization, licensed cannabis dispensary, and Medicaid managed care plan, to serve at the invitation of the chairs of the working group; and
 - (C) Add an adult cannabis-using qualifying patient and a parent or legal guardian of a minor cannabis-using qualifying patient;

- (2) Authorizing the working group to request assistance and feedback from other stakeholders, as needed;
- (3) Requesting the Legislative Research Bureau to provide staff assistance to the working group;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2741, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2741, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3104 Commerce, Consumer Protection, and Health on H.B. No. 2128

The purpose and intent of this measure is to require health insurance policies offered by health insurers, mutual benefit societies, fraternal benefit societies, and health maintenance organizations to include coverage for clinical victim support services provided by licensed mental health providers for victims of sexual violence and abuse who suffer from mental disorders.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women; O'ahu County Committee, Legislative Priorities Committee of the Democratic Party of Hawai'i; Kaiser Permanente Hawaii; Hawai'i State Democratic Women's Caucus; Save Medicaid Hawaii; The Sex Abuse Treatment Center; IMUAlliance; YWCA O'ahu; Hawaii Children's Action Network; Filipina Advocacy Network; Hawaii Women's Coalition; Ho'omana Pono, LLC; and four individuals. Your Committee received comments on this measure from the Department of Human Services, Department of Commerce and Consumer Affairs, and Hawaii Medical Service Association.

Your Committee finds that according to the federal Centers for Disease Control and Prevention, sexual violence and abuse are extremely prevalent in the United States. It is estimated that 22,000,000 women and 1,600,000 men are victims of rape, while 53,000,000 women and 25,000,000 men have experienced some other form of sexual violence or abuse in their lifetimes. Trauma from sexual violence and abuse can have significant, lasting impacts on a survivor's mental health, which can interfere with the survivor's functional ability to engage and interact with the world.

Your Committee further finds that survivors with mental health conditions caused, in whole or in part, by sexual violence and abuse can require clinical victim support services, a professional intervention delivered by a licensed mental health provider with whom a victim has established a therapeutic relationship. According to testimony received by your Committee, historically, some health insurers have chosen not to provide coverage for appropriate clinical victim support services, which may act as a barrier to sufficient provider availability.

Your Committee has heard the concerns that this measure's required coverage for clinical victim support services may trigger an auditor's review of a new health insurance coverage mandate. However, your Committee notes that existing law already requires health insurance policies offered by health insurers, mutual benefit societies, fraternal benefit societies, and health maintenance organizations to provide coverage for mental health outpatient services.

According to testimony received by your Committee, clinical victim support services are a medically necessary type of mental health outpatient services delivered by health care providers in the normal course of planned treatment. As clinical victim support services fall within the existing definition of "mental health outpatient services", coverage for these types of services should already have been a covered benefit under existing law. Furthermore, as this measure is intended to clarify an existing covered benefits category – mental health outpatient services – provided by licensed mental health providers, rather than establishing a new covered benefit, an auditor's impact assessment report is not required. Amendments to this measure are therefore necessary to address these concerns and ensure that clinical victim support services include a complete range of medically necessary care for victims of sexual violence and abuse.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that clinical victim support services includes:
 - (A) Assisting victims of sexual violence and abuse in obtaining appropriate government entitlements, access, insurance coverage, and other appropriate programs and services; and
 - (B) Coordinating with schools, employers, and other individuals and entities concerning a victim of sexual violence and abuse;
- (2) Clarifying that covered mental illness benefits include clinical victim support services as a type of mental health outpatient service;
- (3) Clarifying that this measure shall be exempt from the Auditor's impact assessment report requirement under section 23-51, Hawaii Revised Statutes;
- (4) Updating the purpose section;
- (5) Changing its effective date to July 1, 2018; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that this amended measure clarifies the more complete, meaningful coverage of mental health outpatient services, which includes clinical victim support services for victims of sexual violence and abuse, and that are currently available and

allowed under the existing Hawaii Revised Statutes. Thus, this amended measure ensures that more survivors of sexual violence and abuse receive this particular kind of coordinated, multi-disciplinary care that is medically necessary for some survivors to recover and heal and that can help survivors avoid additional harm and decompensation.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2128, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2128, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 3105 Housing on H.B. No. 2357

The purpose and intent of this measure is to create an eviction process for the Hawaii Public Housing Authority's state low-income housing projects and elder or elderly housing.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority and O'ahu County Commission on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that Act 114, Session Laws of Hawaii 2017 (Act 114), exempted state low-income housing directly controlled, owned, or managed by the Hawaii Public Housing Authority from the requirements of the residential landlord-tenant code under chapter 521, Hawaii Revised Statutes. Act 114 was the first step in creating a uniform eviction process for state and federal low-income public housing to ensure all tenants receive the same due process rights regardless of the property on which they reside. This measure streamlines the eviction process for all of the Hawaii Public Housing Authority's state and federal low-income public housing programs and lessens the caseload of the Judiciary and the Department of the Attorney General.

Your Committee has amended this measure by:

- (1) Changing the new part added to chapter 356D, Hawaii Revised Statutes, to a subpart in part III of chapter 356D, Hawaii Revised Statutes, relating to state low-income housing;
- (2) Replacing references to "resident" or "person" with "tenant", as the context requires, as "tenant" is defined in the new subpart in part III of chapter 356D, Hawaii Revised Statutes; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2357, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2357, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Harimoto, Kahele).

SCRep. 3106 (Joint) Housing and Commerce, Consumer Protection, and Health on H.B. No. 2748

The purpose and intent of this measure is to require and appropriate funds to the Hawaii Housing Finance and Development Corporation to conduct a study on the current and future demand and supply of affordable housing suitable for individuals with special needs.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual. Your Committees received comments on this measure from the State Council on Developmental Disabilities.

Your Committees find that many individuals with access and functional needs face significant obstacles in obtaining suitable, long-term, affordable housing due to their low incomes and their need for easily accessible supportive services. Many housing options suitable for individuals with access and functional needs are only temporary, which impedes their ability to live independently for a significant period of time. By requiring the Hawaii Housing Finance and Development Corporation to conduct a study, this measure will enable the State to gather data and formulate strategies to provide additional suitable affordable housing options for individuals with access and functional needs.

Your Committees have amended this measure by:

- (1) Adopting the language suggested by the State Council on Developmental Disabilities that:
 - (A) Replaces references to "individuals with special needs" to "individuals with access and functional needs"; and
 - (B) Clarifies that the study will focus on the housing waitlists in the State and in each county in order to identify the current and future demand and supply of affordable housing suitable for individuals with access and functional needs; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2748, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2748, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Housing: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Kahele).

Commerce, Consumer Protection, and Health: Ayes, 7. Noes, none. Excused, none.

SCRep. 3107 Government Operations on H.B. No. 1932

The purpose and intent of this measure is to allow agencies to adopt specified emergency rules where new federal or state legislation or court decisions disrupt prior practice and urgent rule changes are needed to mitigate disruption.

Your Committee received testimony in support of this measure from Department of Education; Hawaii Public Housing Authority; University of Hawaii Professional Assembly; United Public Workers, AFSCME, Local 646, AFL-CIO; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and Ho'omana Pono, LLC.

Your Committee finds that it is important for government agencies to have the flexibility necessary to address the needs of the public in a timely manner. Periodically, changes to controlling law may require immediate alterations to long-standing statutes, rules, or agency practices. The issuance of federal decisions, changes in federal law, or court rulings may affect any regulated area, at any time, including when the Legislature is not in session, and require both specialized skill in the interpretation of Hawaii law, and rapidity of response on an emergency basis to prevent impairment of important rights. Therefore, your Committee finds that allowing agencies to adopt emergency rules for immediate adaptation of Hawaii law to federal law, or other overarching Hawaii law, while preserving values and goals of the State is important to maintain proper and effective government functioning.

However, your Committee has concerns that this measure provides too much authority to government agencies at the expense of a duly elected Legislature. Your Committee notes that under this measure as currently drafted an agency may simply adopt an emergency rule that would override a legislatively enacted statute. Your Committee finds that this could undermine the authority of the Legislature.

In addition, your Committee finds that a sufficient period for public notice and public hearing on any proposed emergency rule should be established.

Accordingly, your Committee has amended this measure by:

- (1) Removing state legislation as a basis for adoption of an emergency rule;
- (2) Requiring a public hearing prior to the adoption of an emergency rule; provided that the agency shall give no less than thirty days' notice of the hearing;
- (3) Limiting the effective period of an emergency rule to no longer than the first day of the next occurring Regular Session of the Legislature after adoption of the emergency rule; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1932, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1932, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Ruderman). Noes, none. Excused, none.

SCRep. 3108 Hawaiian Affairs on H.B. No. 2464

The purpose and intent of this measure is to make lessees who sell or transfer their interest in a Hawaiian home lands lease for any class of land ineligible to receive any subsequent lease for the same class of land, subject to limited exceptions.

Your Committee received testimony in support of this measure from the Ho'omanapono Political Action Committee, Ka Lāhui Hawaii Political Action Committee, one member of the Maui County Council, and three individuals. Your Committee received testimony in opposition to this measure from the Sovereign Councils of the Hawaiian Homeland Assembly, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and eight individuals. Your Committee received comments on this measure from the Department of Hawaiian Home Lands and Office of Hawaiian Affairs.

Your Committee finds that churning is the practice of obtaining a Hawaiian home lands lease then selling or transferring it to others for a fee or other personal gain, then reapplying to receive a subsequent lease. Your Committee further finds that there are roughly 27,000 applicants that are currently in the system, and the number of applications continue to grow. Your Committee believe that all native Hawaiians who are waiting to receive a Hawaiian home lands lease should be equally awarded a lease.

Your Committee received testimony stating that the Department of Hawaiian Home Lands is in the process of addressing the long waitlist for homestead leases by adopting a rule that would prohibit the sale of undivided interests and leases to lots that are vacant or undeveloped. The Department is also in the process of considering a right of first refusal to homestead applicants on the waitlist. Your Committee recognizes the authority of the Department of Hawaiian Home Lands in establishing administrative rules to address certain issues and believes that the Department is appropriately equipped to address the issue of churning.

Your Committee finds that according to testimony received, this measure may be premature and will require more consultation between the Department of Hawaiian Home Lands and beneficiaries in order to better address the growing waitlist.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language in section 1 which makes reference to eligible native Hawaiians never receiving a lease offer;
- (2) Deleting language that would have amended the Hawaiian Homes Commission Act to make lessees who sell or transfer their interest in a lease for any class of land ineligible to receive a subsequent lease;

- (3) Inserting language to require the Department of Hawaiian Home Lands to submit a report to the Legislature of its findings and recommendations, including any proposed legislation, on the issue of Hawaiian home lands lessees selling or transferring their lease and then applying for a subsequent lease; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2464, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2464, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3109 Education on S.C.R. No. 92

The purpose and intent of this measure is to request the Department of Education to submit a report to the Legislature on unutilized, lapsed federal grant revenue for public education.

Your Committee received testimony in support of this measure from the Department of Education, Native Hawaiian Education Council, Association of Hawaiian Civic Clubs, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the Department of Education receives federal grants for public education which must be used for specific purposes within specific periods of time or else be returned to the federal government. The Department of Education underwent a financial audit in each of the years 2013 to 2016, and each of these audits revealed that the Department of Education had underutilized over \$175,000,000 of federal funding per year. A clear understanding of all federal funds available for public education in Hawaii, including their purposes and expiration dates, is critical to inform decisions regarding the total funding of public education in Hawaii.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 92 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Espero, Kim).

SCRep. 3110 (Joint) Water and Land and Housing on H.B. No. 2358

The purpose and intent of this measure is to exempt lands owned by the Hawaii Public Housing Authority from the definition of "public lands" under section 171-2, Hawaii Revised Statutes (HRS), and the jurisdiction of the Board of Land and Natural Resources.

Your Committees received testimony in support of this measure from the Hawaii Public Housing Authority. Your Committees received testimony in opposition to this measure from the Office of Hawaiian Affairs, Eco Tipping Points Project, and two individuals.

Your Committees find that the Hawaii Public Housing Authority titled lands were previously exempt from the definition of "public lands" under section 171-2, HRS, when these lands were held by the Authority's predecessor agencies, the Housing and Community Development Corporation of Hawaii and the Hawaii Housing Authority. After the Housing and Community Development Corporation of Hawaii was bifurcated into two separate agencies, an exemption for Hawaii Public Housing Authority titled lands was inadvertently excluded from the list of lands exempt from the definition of "public lands" under section 171-2, HRS.

Your Committees further find that the Hawaii Public Housing Authority is authorized to acquire, own, and hold real property pursuant to section 356D-8, HRS, and its federal low-income public housing properties are under a federal annual contributions contract with the federal government. Thus, these titled lands do not fall under the jurisdiction of the State's public lands and should be exempt from the definition of "public lands" and the jurisdiction of the Board of Land and Natural Resources to avoid delays in redevelopment projects.

Your Committees note the written testimony in opposition submitted by the Office of Hawaiian Affairs that Hawaii Public Housing Authority titled lands should be treated consistently with other state lands removed from the jurisdiction of the Board of Land and Natural Resources. Thus, any sale or gift of lands under the control of the Authority should be subject to the legislative approval requirements under section 171-64.7, HRS.

Accordingly, your Committees have amended this measure by:

- (1) Adding language that exempts lands set aside by the Governor to the Hawaii Public Housing Authority from the definition of "public lands" under section 171-2, HRS;
- (2) Adopting the language suggested by the Office of Hawaiian Affairs that requires the legislative approval of the sale or gift of lands set aside by the Governor to the Hawaii Public Housing Authority or lands to which the Hawaii Public Housing Authority in its corporate capacity holds title; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2358, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2358, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Water and Land: Ayes, 3. Noes, none. Excused, 2 (Gabbard, Inouye).
Housing: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Kahele).

SCRep. 3111 (Joint) Water and Land and Agriculture and Environment on H.B. No. 2107

The purpose and intent of this measure is to:

- (1) Establish the plastic pollution initiative program with the mission to eliminate plastic waste impacting native species and polluting the State's environment;
- (2) Establish the plastic pollution advisory council to collect data regarding plastic pollution and provide recommendations to eliminate plastic waste; and
- (3) Appropriate funds to establish the plastic pollution initiative program and allow the plastic pollution advisory council to conduct an initial analysis of the baseline cost of plastic pollution to Hawaii's taxpayers and environment.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Sierra Club of Hawai'i, Keiko Conservation, and eleven individuals.

Your Committees find that plastics have become a significant threat to Hawaii's environment, ecosystems, and beaches, on which the State's economy, culture, and native species rely. Plastic litter and debris can be increasingly found on every island and in every watershed and protected area from the remote Kalalau Valley on Kauai to Kilauea Caldera on Hawaii island. Hawaii's forests, streams, and beaches are strewn with plastic debris, including micro plastic debris smaller than grains of sand, which are consumed by the smallest of endangered birds to the humpback whale.

Your Committees further find that cleaning up plastic is a significant cost to Hawaii taxpayers. The cost of increasing cleanups by government agencies, businesses, and the general public is rising to account for expensive best management practices and mitigation. By establishing a long-term plan to eliminate plastic pollution in Hawaii's environment and reduce cleanup costs to taxpayers through the establishment of an advisory council, this measure provides a mechanism to reduce costs to taxpayers and protect Hawaii's environment from plastic inundation.

Your Committees have amended this measure by:

- (1) Adopting the language suggested by the Department of Land and Natural Resources that changes the name of the "plastic pollution initiative program" to the "plastic pollution initiative" to avoid confusion with other programs of the Department and making conforming amendments accordingly;
- (2) Adding a representative of the business community, to be selected by the Chamber of Commerce Hawaii, to the plastic pollution advisory council;
- (3) Inserting an appropriation amount of \$150,000 to establish the plastic pollution initiative and allow the plastic pollution advisory council to conduct a baseline study; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2107, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2107, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 3112 Water and Land on H.B. No. 2097

The purpose and intent of this measure is to appropriate funds to the Department of Land and Natural Resources to hire lifeguards to monitor state and county beach parks.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by:

- (1) Adding a preamble section regarding the need for the State to more fully assume the risk of posting county lifeguards at designated state beach parks;
- (2) Amending section 662-16, Hawaii Revised Statutes, to require the Attorney General to defend any civil action or proceeding against a county and any person employed by the county to provide lifeguard services at a designated state beach park under an agreement between the State and the county, except for a civil action or proceeding that results from a county lifeguard's gross negligence or wanton act or omission;
- (3) Specifying appropriation amounts to the Department of Land and Natural Resources for lifeguard services and clarifying that the funds are for the purpose of lifeguard to monitor state beach parks, rather than state and county beach parks;
- (4) Changing the effective date to July 1, 2018; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Land and Natural Resources; Hawai'i Fire Department, County of Hawai'i; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawaiian Lifeguard Association; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and one individual.

Your Committee received comments on the proposed S.D. 1 from the Department of the Attorney General, Honolulu Emergency Services Department of the City and County of Honolulu, Hawai'i Tourism Authority, and Hawaii Association for Justice.

Your Committee finds that the State contracts with the counties to provide lifeguards at various state beach parks. These lifeguards provide a valuable service as first responders to residents and tourists alike. The frequency of incidents requiring lifeguard involvement is great. According to testimony submitted by the Honolulu Emergency Services Department of the City and County of Honolulu, in 2016, lifeguards performed 103,850 preventive actions; treated 3,364 minor medical issues; responded to and managed 44 major medical responses; and performed 64 ocean rescues. The cost of protecting beachgoers has increased in the past two years and is anticipated to continue to increase in the current fiscal year. The proposed S.D. 1 will provide additional necessary funding to ensure lifeguard services at state beach parks.

Your Committee further finds that existing state law authorizes the Attorney General to defend county lifeguards posted at designated state beach parks and the respective county against lawsuits. However, this existing law does not completely eliminate the risk to the lifeguard or county. The proposed S.D. 1 will more fully assume the risk of posting county lifeguards at designated state beach parks under an agreement between the State and a county by requiring, instead of authorizing, the Attorney General to defend the lifeguards and the employing counties against civil lawsuits for injuries that result from acts or omissions while the lifeguard is acting within the scope of the lifeguard's employment.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Adopting the language suggested by the Department of the Attorney General clarifying that in order for the Attorney General to defend any civil action or proceeding brought in any court against a county lifeguard, except for civil actions or proceedings resulting from the county lifeguard's gross negligence or wanton act or omission, the county lifeguard must have acted within the scope of the county lifeguard's employment at a designated state beach park;
- (2) Allowing the county lifeguard to employ an attorney, in lieu of the Attorney General, to defend any civil action or proceeding brought against the county lifeguard at the lifeguard's own expense;
- (3) Clarifying that the appropriations made to the Department of Land and Natural Resources are for the Division of State Parks to contract with the counties for county lifeguard services at designated state beach parks under an agreement between the State and a county; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2097, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2097, H.D. 1, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Gabbard, Inouye).

SCRep. 3113 Education on H.B. No. 2176

The purpose and intent of this measure is to:

- (1) Establish a process for awarding Department of Education contracts for student transportation services and facility construction that includes public comment; and
- (2) Prohibit protests and judicial review of contract awards made pursuant to the process.

Your Committee received testimony in support of this measure from the Department of Education. Your Committee received testimony in opposition to this measure from the State Procurement Office.

Your Committee finds that this measure is intended to support the Department of Education in awarding contracts for student transportation and education facility construction. Your Committee has heard the concerns raised in testimony, including the concerns from the State Procurement Office related to the exemption language as it means that Department of Education contracts for student transportation services and construction will not have the same oversight, accountability, and transparency required for other procurements made with public monies.

Your Committee further finds that alternative learning centers provide specialized services, such as trauma treatment, life skills training, vocational education, mental health treatment, medical services, substance abuse intervention, and mentorship programs, to meet the unique needs of at-risk youth. By offering troubled children the long-term and individualized support they need, these children can develop physically, mentally, and socially in a conducive learning environment.

Accordingly, your Committee has amended this measure by deleting its contents and inserting language that:

- (1) Appropriates \$520,000 to fund existing alternative learning centers or alternative learning schools within the Department of Education;
- (2) Appropriates \$260,000 to fund a new alternative learning school within the Nanakuli-Waianae school complex area;
- (3) Appropriates \$200,000 for the planning and designing of alternative learning schools in each of the remaining school complex areas in the State; and
- (4) Appropriates \$150,000 for one full-time equivalent (1.0 FTE) position to be the Director of Alternative Learning Schools within the Department of Education.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2176, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2176, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Espero, Kim).

SCRep. 3114 Education on H.B. No. 2163

The purpose and intent of this measure is to appropriate funds to the Executive Office on Early Learning for additional operational costs, including equipment, supplies, and personnel costs.

Your Committee received testimony in support of this measure from the Executive Office on Early Learning, Early Learning Board, and Hawaii Children's Action Network.

Your Committee finds that Act 202, Session Laws of Hawaii 2017, among other things, broadened the scope of the early learning program to include early childhood development and expanded the function of the Early Learning Advisory Board beyond an advisory capacity. These additional responsibilities require additional resources for the Executive Office on Early Learning due to additional operational costs for equipment, supplies, and personnel. This measure supports the development of the State's early childhood system to continue providing high-quality development and learning opportunities for children throughout the State.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2163, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Espero).

SCRep. 3115 Education on H.B. No. 2508

The purpose and intent of this measure is to appropriate funds for infrastructure costs, rental or lease assistance, and the repair and maintenance of network infrastructure for charter schools.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Office of Hawaiian Affairs, Hawaii State Teachers Association, IMUAlliance, Hawaii Children's Action Network, HawaiiKidsCAN, Charter School Facilities Initiative, Friends of Kona Pacific Public Charter School, Hawaii Public Charter Schools Network, and four individuals.

Your Committee finds that public charter schools receive inadequate funding to support student learning. Public charter schools that lack adequate building facilities are sometimes forced to hold classes outdoors, on covered lanais, or in unstable temporary structures. While the State Public Charter School Commission may request facilities funding in addition to its annual budget request, the amounts received in recent fiscal years have not kept pace with the cost of providing and maintaining high-quality facilities. This measure provides assistance for facilities funding, which has been a long-standing issue for charter schools.

Your Committee has amended this measure by:

- (1) Inserting language that authorizes the Legislature to make appropriations and bond authorizations to the State Public Charter School Commission each fiscal year for rental or lease of facilities for charter schools; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2508, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2508, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Espero, Kim).

SCRep. 3116 Education on H.B. No. 2170

The purpose and intent of this measure is to appropriate funds to the Executive Office on Early Learning for an online platform to facilitate professional learning for Executive Office on Early Learning public pre-kindergarten program educators.

Your Committee received testimony in support of this measure from the Executive Office on Early Learning, Early Learning Board, Hawaii Children's Action Network, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that high-quality pre-kindergarten programs, which rely on qualified educators, are necessary for positive early learning outcomes, and that early learning educators, including teachers and principals, require ongoing, targeted professional development to implement high-quality pre-kindergarten classrooms. The Executive Office on Early Learning brings together educators, including principals, several times a year for face-to-face professional learning with other educators. However, educators in rural areas have expressed a feeling of isolation upon returning to their classrooms. This measure appropriates funds for the development and maintenance of an online platform that will provide a tool through which communication between early learning educators can occur and offer resources to these educators, including recorded trainings and meetings, accessible on a continuing basis.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2170, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3117 Commerce, Consumer Protection, and Health on H.B. No. 2493

The purpose and intent of this measure is to permit the Director of Health to hire more than ten epidemiologists.

Your Committee received testimony in support of this measure from the Department of Health and Hawaii Public Health Institute.

Your Committee finds that epidemiologists serve unique, technical roles in public health. Testimony submitted by the Department of Health indicates that the Department deploys epidemiologists to effectively track and characterize emergent disease outbreaks such as those caused by dengue, hepatitis A, norovirus, or mumps by using various tools to analyze data to determine specific risks, identify potential or specific etiologic agents, or guide public health interventions. Epidemiologists also analyze longer term trends, using environmental, health care, chronic disease, mental health, and substance abuse data, including the injuries and deaths related to opioid misuse and abuse, to inform public policy and department operations. Your Committee notes that the Department of Health currently has ten epidemiologists and has an immediate need for more, including for a planned project to address youth lead exposure on Kauai.

Your Committee further notes that funds were allocated to the Department of Health for an eleventh epidemiologist as part of the state budget in 2017. However, the Department of Health was unable to hire an epidemiologist because of this statutory limit. Your Committee finds that removing this statutory limit will allow the Department of Health to better track and analyze emergent disease outbreaks and long-term public health trends and grant the Department of Health the operational flexibility needed to address future public health risks.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2493, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3118 Commerce, Consumer Protection, and Health on H.B. No. 1911

The purpose and intent of this measure is to:

- (1) Protect the health, safety, civil rights, and rights of choice for vulnerable adults;
- (2) Establish appropriate measures to ensure a safe environment and consumer protection for vulnerable adults who are receiving home health care or home care in care facilities or residences;
- (3) Grant the Department of Health proper investigative authority to enter care facilities, residences, or agencies providing home health care to vulnerable adults;
- (4) Prohibit care facilities previously licensed by the Department of Health from operating without proper license;
- (5) Appropriate funds to the Department of Health to implement and maintain a forum on its website to facilitate placement of individuals in state-licensed care facilities; and
- (6) Require the Department of Health to convene a working group to discuss and provide feedback on the implementation and maintenance of a forum where state-licensed care facilities may post vacancy information, and submit a report to the Legislature of the findings and recommendations of the working group.

Your Committee received testimony in support of this measure from the Office of the Long Term Care Ombudsman; Case Management Professionals, Inc.; Big Island Adult Residential Care Home; Big Island Adult Foster Home Organization; Big Island Adult Foster Home Operators; United Caregivers of Hawaii; Community Home Care Association of Hawaii; Abilities Unlimited; Hawaii Maternal and Infant Health Collaborative; and thirty-six individuals. Your Committee received testimony in opposition to this measure from the Department of Human Services, AARP Hawaii, Maile Case Management, and three individuals. Your Committee received comments on this measure from the Healthcare Association of Hawaii, The Queen's Health Systems, Catholic Charities Hawaii, Comprehensive Innovations for Senior Services, Hale Makua Health Services, and one individual.

Your Committee finds that this measure is intended to protect vulnerable adults by authorizing the Department of Health to inspect, certify, and license home care facilities and to investigate unlicensed home care facilities, by establishing penalties for violations of licensing requirements, appropriating funds for the Department of Health to implement and maintain an online forum to facilitate placement and referrals of individuals to state-licensed care facilities, and requiring the Department of Health to convene a working group to provide feedback on implementation and maintenance of the online forum. However, your Committee has concerns that this measure lacks clarity and imposes undue restrictions on consumers and care providers, including the imposition of administrative proceedings.

Your Committee notes that a prior draft of this measure, H.B. No. 1911, H.D. 1, Regular Session of 2018, authorizes the Department of Health to investigate care facilities reported to be operating without an appropriate certificate or license issued by the Department and establishes penalties for violations and for patient referral or transfer to uncertified or unlicensed care facilities. Your Committee finds that the language in H.B. No. 1911, H.D. 1, is preferable because it is clearer and imposes fewer restrictions on consumers and care providers.

Your Committee has also heard the concerns of the Department of Health that the Department is aptly suited to address this matter in detail, has drafted interim rules that can go into effect immediately, and is ready to begin the public hearing process to formally adopt rules pursuant to chapter 91, Hawaii Revised Statutes. Your Committee has also heard the concerns of industry members that fines alone, without the possibility of administrative proceedings, constitute sufficient compulsion to cooperate in the licensing scheme, and that punishing health care providers for referring or transferring patients in good faith to a care facility without actual proof or knowledge that the care facility is uncertified or unlicensed does not advance the purposes of the measure. Your Committee

also notes that the Department of Health and industry stakeholders have reached consensus on proposed additional amendments to address these concerns.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of H.B. No. 1911, H.D. 1, a measure that:
 - (A) Authorizes the Department of Health to investigate and enter care facilities reported to be operating without an appropriate certificate or license issued by the Department and take certain actions upon confirmed findings of uncertified or unlicensed care facilities; and
 - (B) Establishes penalties for violations and for knowingly referring or transferring patients to uncertified or unlicensed care facilities; and
- (2) Further amending the measure by:
 - (A) Establishing certain conditions under which certified or licensed healthcare providers and care facilities will not be subject to a fine when a patient is referred or transferred to an uncertified or unlicensed care facility;
 - (B) Requiring the Department of Health to adopt interim rules to effectuate the licensure of home care facilities and making those interim rules effective until the sooner of October 1, 2018, or final adoption of rules; and
 - (C) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1911, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1911, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 3119 (Joint) Education and Agriculture and Environment on H.B. No. 2025

The purpose and intent of this measure is to:

- (1) Authorize the Department of Education to issue grants to establish a composting grant pilot project in Department of Education schools;
- (2) Authorize the Department of Education to establish the composting grant pilot project working group; and
- (3) Appropriate funds to establish and implement the composting grant pilot project.

Your Committees received testimony in support of this measure from the Department of Education, University of Hawai'i System, Sierra Club of Hawai'i, Koku Hawai'i Foundation, Ulupono Initiative, Windward Zero Waste Schools, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and several individuals. Your Committees received comments on this measure from the Department of Agriculture.

Your Committees find that the Department of Education produces a large amount of rubbish and waste from two hundred sixty-five schools across the State, which significantly impacts the State's environment, waste resources, and finances. However, on-site campus composting programs involving students have been extremely successful in providing a beneficial method of waste diversion.

Your Committees further find that a demonstration project on the effectiveness of on-site campus composting allows students to see the relationships between food waste, composting, nutrient cycling, healthy soils, and local food production. Furthermore, developing a statewide model for on-site campus composting provides a way to reach the Aloha+ Challenge waste reduction goals, increase local food production, and promote natural resource management.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note that the Department of Education, rather than the Department of Agriculture, is a more appropriate entity to oversee the composting grant pilot project and request that your Committee on Ways and Means consider this issue should it choose to hear this measure.

As affirmed by the records of votes of the members of your Committees on Education and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2025, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2025, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).
Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 3120 (Joint) Public Safety, Intergovernmental, and Military Affairs and Water and Land on H.B. No. 1977

The purpose and intent of this measure is to require the Hawaii Emergency Management Agency to develop strategic regional flood plans and submit a progress report to the Legislature on development of the plans.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and eleven individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources and Hawaii Emergency Management Agency.

Your Committees find that the threat of floods and flood-related disasters are concerns for which the State should be readily prepared. Therefore, your Committees find that proper flood planning for the State is essential to help mitigate and respond to damaging flooding. Accordingly, this measure requires the Hawaii Emergency Management Agency to develop strategic regional flood plans that address flood mitigation, flood water retention, flood diversion, and catastrophic floods.

However, your Committees acknowledge the testimony presented by the Hawaii Emergency Management Agency and Department of Land and Natural Resources indicating that the most effective way to develop the proposed regional flood plans would be through a working group administered by the Hawaii Emergency Management Agency and the Department of Land and Natural Resources as support and comprised of appropriate county, state, and federal agencies that have authority over and involvement in flood management.

Your Committees have amended this measure by:

- (1) Deleting language that would have required the Hawaii Emergency Management Agency to develop strategic regional flood plans;
- (2) Requiring the Hawaii Emergency Management Agency, along with the Board of Land and Natural Resources as support, to convene a working group composed at their discretion, of the appropriate county, state, and federal agencies that have authority over or involvement in flood mitigation, flood water retention, flood diversion or preparation, and recovery activities, to develop strategic regional flood plans that address flood mitigation, flood water retention, flood diversion, and catastrophic floods;
- (3) Changing its effective date to upon approval;
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1977, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1977, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Wakai).

Water and Land: Ayes, 3. Noes, none. Excused, 2 (Gabbard, Inouye).

SCRep. 3121 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2061

The purpose and intent of this measure is to prohibit private detectives and guards from self-identifying as law enforcement officers, police, or police officers and from wearing or using any badge, uniform, equipment, vehicle, or other accoutrement capable of being associated with that of a law enforcement officer employed by a government law enforcement organization.

Your Committee received testimony in support of this measure from the Board of Private Detective and Guards, Maui Police Department, and two individuals. Your Committee received comments on this measure from the Department of Transportation.

Your Committee finds that establishing a clear distinction between private detectives and guards and law enforcement officers is important to maintaining public safety and confidence in law enforcement. Private detectives and guards in Hawaii have broad powers, including the powers to detain and search individuals; however, they are not law enforcement officers. Therefore, members of the public should be able to clearly distinguish between these different groups. Accordingly, this measure clarifies that private detectives and guards are prohibited from self-identifying as a law enforcement officer, a police officer, or police and from wearing or using any badge, uniform, equipment, vehicle, or other accoutrement that might identify them as such.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2061, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3122 (Joint) Public Safety, Intergovernmental, and Military Affairs and Labor on H.B. No. 1849

The purpose and intent of this measure is to:

- (1) Require police departments to disclose to the Legislature the identity of a police officer upon the officer's discharge or second or subsequent suspension in a five-year period; and
- (2) Allow disclosure under the Uniform Information Practices Act (UIPA) of employment misconduct information that results in a county police officer's second or subsequent suspension in a five-year period.

Your Committees received testimony in support of this measure from the Office of Information Practices, League of Women Voters Hawaii, Society of Professional Journalists Hawaii Chapter, Young Progressives Demanding Action, and three individuals. Your Committees received testimony in opposition to this measure from the Maui Police Department and The Civil Beat Law Center for the Public Interest.

Your Committees find that disclosing the identities of police officers who are suspended or discharged serves the public interest. Transparency and accountability of police officers are of great importance in maintaining the public's confidence in law enforcement,

and a healthy relationship between police and the public is essential for maintaining the health, safety, and welfare of the public. However, your Committees acknowledge testimony indicating that the measure's existing proposals would not adequately effectuate the intent of the measure. Therefore, your Committees find that in order to establish meaningful transparency and accountability of police officers, the chief of police of each county should be required to disclose to the Legislature the identity of a police officer upon the officer's suspension or discharge and that disclosure under the UIPA of employment misconduct information that results in any county police officer's suspension should be allowed.

Your Committees have amended this measure by:

- (1) Requiring the chief of each county police department to disclose to the Legislature the identity of a police officer upon the officer's suspension or discharge; and
- (2) Allowing disclosure under the UIPA of employment misconduct information that results in a county police officer's suspension.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1849, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1849, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

Labor: Ayes, 3. Noes, none. Excused, 2 (Chang, English).

SCRep. 3123 (Joint) Human Services and Commerce, Consumer Protection, and Health on H.B. No. 538

The purpose and intent of this measure is to:

- (1) Create the intellectual and developmental disabilities Medicaid waiver administrative claiming special fund; and
- (2) Require the Department of Human Services to report to the Legislature an annual report of the receipts of and expenditures from the special fund.

Your Committees received testimony in support of this measure from the Department of Human Services, Department of Health, State Council on Developmental Disabilities, The Arc in Hawaii, Full Life, Catholic Charities Hawai'i, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, The Arc of Kona, Easterseals Hawaii, and twelve individuals. Your Committees received comments on this measure from the Hawaii Disability Rights Center.

Your Committees find that the Department of Health's Developmental Disabilities Division operates the Hawaii Medicaid Section 1915(c) Home and Community-Based Services for People with Intellectual and Developmental Disabilities Waiver (Section 1915(c) Waiver) pursuant to a memorandum of agreement with the Department of Human Services, which supervises the administration of the Section 1915(c) Waiver. The Department of Health has claimed minimal amounts of allowable Medicaid federal financial participation, or Medicaid waiver administrative claiming funds, for the proper and necessary costs it incurred in administering the Section 1915(c) Waiver. However, these Medicaid waiver administrative claiming funds are currently being deposited into the general fund, which limits the Developmental Disabilities Division's ability to implement new federal requirements for the Section 1915(c) Waiver. The creation of the intellectual and developmental disabilities Medicaid waiver administrative claiming special fund will allow the Developmental Disabilities Division to use monies for various services to assist individuals, families, and community stakeholders applying for and navigating the Section 1915(c) Waiver process. Your Committees further find that establishing a working group will provide an opportunity for the Division to improve existing services for individuals applying for and currently enrolled in the Section 1915(c) Waiver program.

Your Committees have amended this measure by:

- (1) Inserting language to require the State Council on Developmental Disabilities to establish a temporary working group to examine and evaluate the application process of the Section 1915(c) Waiver and existing services provided by the Developmental Disabilities Division; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 538, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 538, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3. Noes, none. Excused, 2 (Chang, Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Nishihara, Ruderman).

SCRep. 3124 (Joint) Human Services and Water and Land on H.B. No. 2014

The purpose and intent of this measure is to:

- (1) Establish and appropriate funds for the Puuhonua Homeless Villages program by providing housing and supportive services to homeless individuals under a housing first paradigm; and
- (2) Provide limitations on liability for government entities and volunteers providing services.

Your Committees received testimony in support of this measure from the Mayor's Office, County of Hawaii; ALEA Bridge; Hawai'i Lodging & Tourism Association; Hawaii Kai Homeless Task Force; Oahu County Committee on Legislative Priorities of the

Democratic Party of Hawai'i; IMUAlliance; Housing Now! Coalition of Faith Action for Community Equity; Foo W. Lim & Sons, Inc.; and seventeen individuals. Your Committees received comments on this measure from the Governor's Coordinator on Homelessness, Department of Human Services, Department of Public Safety, Department of Land and Natural Resources, and Hawaii Association for Justice.

Your Committees find that the State has used homeless shelters and transitional group homes as an interim measure while attempting to place individuals and families experiencing homelessness into subsidized rentals and traditionally-constructed apartments. However, economic constraints, construction delays, and resistance by landlords to accept homeless tenants have made the supply of subsidized rental and traditionally-constructed apartments inadequate to meet the demand by homeless individuals. Your Committees further find that recent technological innovations have made it possible to construct housing units at a lower cost than what the State spends for unsheltered and nomadic homeless individuals and families. Using current technology to build homeless villages on state land will allow the State to create housing and implement housing first principles on a scale large enough to reduce, if not end, homelessness in the State.

Your Committees have amended this measure by:

- (1) Changing the total number of units to be constructed within two years from eight thousand units to an unspecified amount;
- (2) Replacing the minimum size of a village from two acres to one-half acre;
- (3) Requiring the Department of Human Services, in conjunction with the Governor, to hold a public meeting prior to the establishment of a homeless village;
- (4) Requiring the Department of Human Services, in consultation with the Governor, to report to the Legislature prior to the Regular Session of 2020 the progress made in acquiring the parcels of state land identified by the Governor for the purpose of providing housing and supportive services to homeless persons;
- (5) Deleting language limiting liability for providing services to individuals experiencing homelessness; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2014, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2014, H.D. 2, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Wakai).

Water and Land: Ayes, 3. Noes, none. Excused, 2 (Gabbard, Inouye).

SCRep. 3125 (Joint) Human Services and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2528

The purpose and intent of this measure is to:

- (1) Expand criminal history checks to adult relatives who provide care for a child whose family receives child care subsidies from the Department of Human Services in a regulated child care setting;
- (2) Clarify the release of investigation information to the public;
- (3) Clarify that the child care licensing program may share information and cooperate with child protective services and law enforcement on investigations; and
- (4) Clarify that the Department of Human Services may take administrative action, judicial action, or both, to enforce child care licensing provisions and increase penalties by making them apply on a daily basis.

Your Committees received testimony in support of this measure from the Department of Human Services, The Green Preschool Kailua, and two individuals. Your Committees received comments on this measure from the Alliance of Concerned Parents and Daycare Providers and six individuals.

Your Committees find that parents and guardians rely on child care providers to ensure the safety and well-being of their child. However, recent events involving injuries and deaths have revealed the need for the Department to enforce transparency measures for the safety of children in certain child care settings. This measure will ensure that necessary provisions are enforced to protect the health, safety, and well-being of children and reassurance to their families.

As affirmed by the records of votes of the members of your Committees on Human Services and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2528, H.D. 1, and recommend that it pass Second Reading and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

SCRep. 3126 Human Services on H.B. No. 1650

The purpose and intent of this measure is to authorize the disclosure of the disposition of an alleged child abuse or neglect investigation in a licensed group child care home or group child care center to:

- (1) Any parent or guardian of a child enrolled in the same group child care home or group child care center in which the alleged abuse or neglect took place; or

- (2) Any parent or guardian who has submitted an application to the group child care home or group child care center in which the alleged abuse or neglect took place.

Your Committee received testimony in support of this measure from The Queen's Health Systems; Hawaii Nurses Association, OPEIU Local 50; Sounds of Success Preschool & Learning Center; and sixteen individuals. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that working families rely on child care facilities to ensure that their children are safe and protected. Your Committee further finds that access to certain information will benefit parents and guardians when selecting a safe child care facility. Your Committee also notes that establishing a working group to identify rules and procedures relating to investigations and enforcement provides an opportunity to further improve rules and regulations involving child care facilities.

Your Committee has amended this measure by:

- (1) Inserting language to establish a temporary working group to review laws, rules, and procedures relating to the coordination of investigations and enforcement efforts of the Child Welfare Services Branch and Child Care Licensing Program to improve safety in child care settings; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1650, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1650, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

SCRep. 3127 Human Services on H.B. No. 2277

The purpose and intent of this measure is to ensure the safety and well-being of at-risk children and families in east Hawaii on Hawaii island by:

- (1) Establishing a five-year pilot project within the Department of Human Services that limits the number of children supervised by each East Hawaii Child Welfare Services Section social worker to twenty or fewer; and
- (2) Appropriating funds for eight full-time equivalent case managers and fifteen full-time equivalent support staff positions in the East Hawaii Child Welfare Services Section on Hawaii island.

Your Committee received testimony in support of this measure from the Department of Human Services; Office of the Mayor, County of Hawai'i; Office of the Prosecuting Attorney, County of Hawai'i; three members from the Hawaii County Council; Catholic Charities Hawai'i; Hawaii Government Employees Association, Local 152, AFL-CIO; National Association of Social Workers, Hawai'i Chapter; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Hawai'i Psychological Association; Hawaii Appleseed Center for Law & Economic Justice; Hawaii Children's Action Network; East Hawaii Friends of Foster Families; Winners' Camp; and thirty-two individuals.

Your Committee finds that the increase in caseloads for child welfare workers in east Hawaii island have resulted in unmanageable caseloads and an increased potential for harm of children at risk of neglect or abuse. The pilot project proposed by this measure provides an opportunity for the East Hawaii Child Welfare Services Section to demonstrate the positive impact of adequate staffing on the safety and well-being of at-risk children in east Hawaii island.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$2,633,231 for the hiring of case managers, support staff, and administrative costs for the East Hawaii Child Welfare Services Section on Hawaii island and adding travel costs for the Child Welfare Services Division to train new hires as an allowable use of the appropriated funds; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2277, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2277, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Tokuda).

SCRep. 3128 Commerce, Consumer Protection, and Health on H.B. No. 2145

The purpose and intent of this measure is to:

- (1) Allow the synchronization of plan participants' medications; and
- (2) Require policies and plan contracts that are offered by health insurers and mutual benefit societies and provide prescription drug benefits to apply prorated daily cost-sharing rates for prescriptions dispensed by network pharmacies for less than a thirty-day supply.

Your Committee received testimony in support of this measure from the Department of Health; Kaiser Permanente Hawaii; Walgreen Co.; American Cancer Society Cancer Action Network; and Hawaii Medical Association. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Board of Pharmacy, and Hawaii Medical Service Association.

Your Committee finds that medication synchronization allows a pharmacist to review a patient's medications and sync medication refills so all the refills are able to be picked up on a single day each month. This process, which involves short fills of less than a thirty days' supply, can be challenging at first, as it may take a few refills of smaller quantities to get all of a patient's prescription medications aligned on the same refill or "sync" day. However, the long-term convenience of medication synchronization is popular with patients and leads to increased adherence to prescription medications for chronic conditions. According to testimony received by your Committee, evidence shows that patients who have synced their chronic medications are about thirty percent more adherent than patients who are not in a medication synchronization program.

Your Committee further finds that this measure facilitates synchronization of prescription medication dispensation for Hawaii patients, which will encourage better medication adherence and lead to improved health outcomes for patients.

Your Committee has amended this measure by:

- (1) Clarifying that for purposes of medication synchronization, the ability to override any denial codes indicating a prescription is being refilled too soon applies to network pharmacies;
- (2) Specifying that a network pharmacy shall identify an anchor prescription to which all other prescriptions may be synced for the purposes of medication synchronization and clarifying that any medication dispensed in an unbreakable package shall not be considered the anchor prescription;
- (3) Inserting a definition of "unbreakable package";
- (4) Specifying that the medication synchronization requirements applicable to health insurers and mutual benefit societies also apply to health maintenance organizations;
- (5) Changing its effective date to July 1, 2050, to encourage further discussion;
- (6) Inserting a repeal date of July 1, 2023; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2145, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2145, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3129 (Joint) Education and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2238

The purpose and intent of this measure is to:

- (1) Require the Department of Education to establish a safe keiki grant program to encourage public schools to prepare for emergencies; and
- (2) Appropriate funds for grants to public schools to purchase water, nonperishable foods, and other supplies necessary for students to remain at school shelters for forty-eight hours in the event of an emergency.

Your Committees received testimony in support of this measure from the Department of Education, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and three individuals. Your Committees received comments on this measure from one individual.

Your Committees find that because of Hawaii's geographic location in the Pacific, it is important for the State and its residents to make preparations in the event of an emergency. In such events, it is critical to have procedures in place and, if necessary, supplies available prior to the event because there often is not enough time during the emergency to establish procedures and gather supplies. Since timeliness is essential in emergency events, ensuring that schools have established emergency procedures and that students have access to adequate shelter and subsistence during a disaster is essential to public safety and welfare.

As affirmed by the records of votes of the members of your Committees on Education and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2238, H.D. 1, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Ihara).

SCRep. 3130 (Joint) Transportation and Energy and Commerce, Consumer Protection, and Health on H.B. No. 1801

The purpose and intent of this measure is to enable the State to better achieve its renewable energy goals by:

- (1) Amending the definition of "renewable portfolio standard" to more accurately reflect the percentage of renewable energy penetration in the State; and
- (2) Establishing renewable portfolio standards for gas utilities.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs Division of Consumer Advocacy; Life of the Land; Ulupono Initiative; Distributed Energy Resources Council of Hawaii; Organizing for Action; Blue Planet Foundation; 350.org; 350Hawaii.org; We Are One, Inc.; Americans for Democratic Action; Faith and Science Initiative; Hawai'i Interfaith Power and Light; Our Revolution Hawaii;

Sierra Club of Hawai'i; and forty-nine individuals. Your Committees received testimony in opposition to this measure from Hawai'i Lodging and Tourism Association; Hawaiian Electric Company, Inc.; Par Hawaii; Hawai'i Gas; Marriot Hawaii; Westin Princeville Ocean Resort Villas; Hawaii Teamsters and Allied Workers, Local 996; and fifty-four individuals. Your Committees received comments on this measure from the Public Utilities Commission.

Your Committees find that as an island state that is susceptible to the negative effects of climate change, it is important for Hawaii to transition away from imported fuels and toward local renewable energy. The State has codified this transition by enacting legislation requiring a one hundred percent renewable portfolio standard by 2045. However, your Committees find that the law as currently written overestimates the amount of renewable energy serving the State's electricity consumers and does not take into account the entire scope of energy production and consumption. In particular, the renewable portfolio standard does not take into account gas utilities, with numerous testifiers noting the negative effect of liquefied natural gas.

Your Committees heard from several testifiers that supported the intent to utilize a more accurate and holistic definition of "renewable portfolio standard" but were concerned about the unintended consequences of this measure and the feasibility of the timeline for gas utilities to meet the gas utility renewable portfolio standards. Accordingly, your Committees have amended this measure by:

- (1) Deleting section 2, which established renewable portfolio standards for gas utility companies and provided waivers, extensions, and incentives to achieve the renewable portfolio standards;
- (2) Deleting section 3, which added to and amended definitions in section 269-91, Hawaii Revised Statutes;
- (3) Deleting section 4, which amended the definition of "renewable portfolio standard" and provided an exception to the definition for generation used for emergency service;
- (4) Requiring that the Public Utilities Commission to contract with the Hawaii Natural Energy Institute of the University of Hawaii, pursuant to section 269-95, Hawaii Revised Statutes, to study the feasibility of establishing renewable portfolio standards for gas utility companies in Hawaii and report to the Legislature;
- (5) Appropriating funds to the Public Utilities Commission for the study; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1801, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1801, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 3131 (Joint) Transportation and Energy and Commerce, Consumer Protection, and Health on H.B. No. 2601

The purpose and intent of this measure is to relieve traffic congestion in the State by establishing a supplemental daily rental motor vehicle user fee to fund highway capital projects that address capacity issues.

Your Committees received testimony in support of this measure from two Maui County councilmembers, Maui Metropolitan Planning Organization, and Kihei Community Association. Your Committees received testimony in opposition to this measure from the Department of the Attorney General, Hawai'i Lodging and Tourism Association, Maui Hotel and Lodging Association, Enterprise Holdings, Avis Budget Group, and one individual. Your Committees received comments on this measure from the Department of Transportation and Department of Budget and Finance.

Your Committees find that Hawaii's traffic congestion is among the worst in the nation, worsening the quality of life for residents and visitors alike. Your Committees believe that improving capacity issues on the State's highways is an important component of any strategy to alleviate traffic congestion in the State.

Your Committees have amended this measure by:

- (1) Deleting the supplemental rental motor vehicle user fee;
- (2) Increasing the rental motor vehicle surcharge by \$2 for lessees without a valid Hawaii driver's license, which shall be used for road capacity projects in the county the rental motor vehicle was operated;
- (3) Increasing the tour vehicle surcharge by \$1 for each category of tour vehicle;
- (4) Inserting an effective date of January 1, 2019; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2601, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2601, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 3132 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2275

The purpose and intent of this measure is to require private streets, highways, or thoroughfares, except for private roads used exclusively by the owner or its employees, in a development district to conform to county construction and maintenance costs, and make the owners responsible for the costs of conforming and maintaining the private road.

Your Committees received testimony in support of this measure from the Department of Transportation and Bank of Hawaii. Your Committees received comments on this measure from the Hawaii Community Development Authority.

Your Committees find that some private roads used by the general public in the Kaka'ako community development district have fallen into disrepair. In some cases, the owner charges a fee for the use of the road, and yet does not maintain the road to meet the county's maintenance standards for county highways. By not meeting the county's maintenance standards, these roads are a safety hazard to vehicles and pedestrians.

Your Committees have amended this measure by:

- (1) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency; and
- (2) Inserting an effective date of January 1, 2100, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2275, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2275, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Ihara).

SCRep. 3133 Transportation and Energy on H.B. No. 2684

The purpose and intent of this measure is to:

- (1) Amend the fees and penalties for motor carriers; and
- (2) Require a certain percentage of the monies collected from motor carrier fees and penalties be used for the enforcement of motor carrier laws.

Your Committee received testimony in support of this measure from the Hawaii Transportation Association and one individual. Your Committee received comments on this measure from the Public Utilities Commission.

Your Committee finds that the Public Utilities Commission is responsible for enforcing public utility laws, including laws that govern electricity, water and sewer, interisland shipping, and motor carriers. In order to enable the Public Utilities Commission to enforce the laws over motor carriers, additional funds are necessary for additional enforcement personnel.

In its testimony, the Public Utilities Commission noted that earmarking a percentage of monies received by the Commission for the purpose of enforcing chapter 271, Hawaii Revised Statutes, could cause administrative and fiscal challenges for the Commission.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting an appropriation to the Public Utilities Commission for the purpose of hiring additional enforcement personnel; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2684, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2684, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3134 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2442

The purpose and intent of this measure is to:

- (1) Require counties to take custody of an abandoned vehicle within ten business days;
- (2) Repeal the requirement that written notice be sent to the abandoned vehicle's owner;
- (3) Require the agency designated by the county to remove the vehicle to provide the abandoned vehicle's owner twenty business days to claim the vehicle, unless the vehicle was reported stolen;
- (4) Allow the designated county agency to waive the requirements for public auction; and
- (5) Allow the vehicle to be considered derelict immediately if there is no current registration for the vehicle.

Your Committees received testimony in support of this measure from the City and County of Honolulu Department of Customer Services, one Hawaii County councilmember, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii,

and six individuals. Your Committees received testimony in opposition to this measure from the Maui County Mayor and County of Hawaii Department of Environmental Management.

Your Committees find that abandoned vehicles often occupy valuable parking spaces and can become an eyesore for the community. However, counties face various impediments that limit the counties' ability to quickly and efficiently remove abandoned vehicles. In many cases, the delay in removing abandoned vehicles quickly is due to wait times that counties face when following the Hawaii Revised Statutes. Allowing counties to waive some of the requirements or bypass wait times under certain conditions will lead to faster removal of abandoned vehicles.

Your Committees heard testimony concerning the counties' ability to effectively execute the requirements of this measure. Your Committees note that the companion to this measure, S.B. No. 2479, S.D. 2 (Regular Session of 2018), which was previously passed by the Senate, is a substantially similar measure that provided some flexibility for the counties. Your Committees conclude that the language in S.B. No. 2479, S.D. 2, is preferable because of the flexibility it provides the counties.

Accordingly, your Committees have amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2479, S.D. 2, a substantially similar measure, which:
 - (A) Requires the Department of Transportation and the county agencies responsible for taking custody of abandoned vehicles to adopt rules pursuant to chapter 91, Hawaii Revised Statutes, with respect to disposing of abandoned vehicles and providing notice to owners;
 - (B) Requires written notice to an owner of an abandoned vehicle only if the vehicle has been reported stolen;
 - (C) Amends the definition of a "derelict vehicle" to include vehicles for which a notice of transfer has been submitted but the new owner has not transferred the title or registration; and
 - (D) Repeals section 290-3, Hawaii Revised Statutes, which establishes the process for public auctions for abandoned vehicles; and
- (2) Inserting an effective date of January 1, 2100, to encourage further discussion.

While your Committees believe that the amendments made to this measure will address some of the concerns raised by the counties, your Committees believe the following proposals merit further discussion by your Committee on Judiciary if it should choose to hold a hearing on this measure:

- (1) Allowing a county to waive the requirement that abandoned vehicles be taken into custody within ten days, if there are circumstances beyond county's control;
- (2) Implementing stronger penalties for abandoning vehicles in order to reduce the number of vehicles abandoned in the first place; and
- (3) Requiring vehicle sellers to turn in the vehicle's license plates with the notice of transfer to the appropriate county agency, which the buyer can claim upon registering the vehicle, in order to eliminate "phantom vehicles".

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2442, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2442, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Ihara).

SCRep. 3135 Transportation and Energy on H.B. No. 2399

The purpose and intent of this measure is to amend the definition of "drug" in chapter 291E, Hawaii Revised Statutes, to include any substance that can impair the ability of a person to operate a vehicle safely.

Your Committee received testimony in support of this measure from the Department of Transportation, Kauai County Office of the Prosecuting Attorney, Hawaii County Police Department, Maui County Department of the Prosecuting Attorney, MADD Hawaii, and one individual. Your Committee received testimony in opposition to this measure from the Office of the Public Defender and Drug Policy Forum of Hawaii.

Your Committee finds that offenders who are using new emerging drugs that have not been added to the controlled substance schedules, and therefore not legally defined as "drugs" under existing law, cannot be prosecuted under existing law as being under the influence of "drugs". Your Committee further finds that by expanding the definition of "drugs", law enforcement can prosecute offenders based on impairment, as opposed to relying on a controlled substance schedule that may not be updated. Your Committee notes that in 2016, the number of highway deaths connected to the presence of drugs exceeded the number of alcohol-related fatalities.

The Office of the Public Defender provided testimony expressing concern that this measure proposes a definition that is too vague and ambiguous. Your Committee also has concerns regarding drivers with a medical condition who refuse to take necessary medication, thereby becoming a danger to other drivers. Accordingly, your Committee has requested an opinion from the Department of the Attorney General on:

- (1) The ability to quickly and efficiently add new drugs to the controlled substance schedules or the feasibility of creating a new, more adaptable database to rely on for the definition of "drug" for offenses involving the use of an intoxicant while operating a motor vehicle; and

- (2) The liability of a driver with a medical condition who refuses to take necessary medication if such a driver is involved in a traffic accident;

and believes these issues, along with the pending opinion from the Attorney General, merit further discussion by your Committee on Judiciary.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2399, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Espero). Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3136 Transportation and Energy on H.B. No. 2215

The purpose and intent of this measure is to provide increased protections to bicyclists riding on roadways by requiring drivers of vehicles passing and overtaking a bicycle to allow at least a three-foot safe passing distance between the vehicle and the bicyclist.

Your Committee received testimony in support of this measure from the Department of Transportation; City and County of Honolulu Department of Transportation Services; Honolulu Police Department; Hawaii Public Health Institute; Hawaii Bicycling League; Sustainable Transportation Coalition of Hawai'i; Kailua Urban Design Task Force; Blue Planet Foundation; Peoples Advocacy for Trails Hawai'i; Kauai Path, Inc.; Hawai'i Cycling Club; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; American Diabetes Association; Blue Zones Project; and fifty-four individuals.

Your Committee finds bicycling is an activity that is good for the health and good for the environment, and the State has made efforts to encourage bicycling. However, bicycling on roadways can be dangerous, with numerous bicycling fatalities in Hawaii resulting from bicyclists being struck by passing motor vehicles. Twelve percent of cyclists felt "threatened for personal safety" the last time they rode and "someone drove too close" was the primary reason. Your Committee notes that thirty-nine states and the District of Columbia have safe passing distance laws in place to reduce the number of injuries and fatalities to bicyclists and the percentage of bicyclists who feel threatened for personal safety when they ride. Enacting a safe passing distance law is another step in promoting bicycling as a valid and safe mode of transportation as the State works to become a more bicycle-friendly place.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2215, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3137 Transportation and Energy on H.B. No. 2003

The purpose and intent of this measure is to allow a respondent who has a revoked driver's license to operate an employer's vehicle for no more than twelve hours; provided that the respondent's employer provides a sworn statement that the respondent is limited to driving during the specified assigned hours of work.

Your Committee received testimony in support of this measure from the Department of Transportation; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO; and Hawaii State AFL-CIO.

Your Committee finds that driving under the influence is a serious offense and there should be serious repercussions for driving under the influence, such as revoking a person's driver's license. However, some employees are required to drive their employer's vehicle for work and could lose their job if they are not allowed to drive a vehicle without an ignition interlock device. To address this issue, the law allows for a special permit for driving a vehicle for work purposes only and limits the amount of driving time to twelve hours per day. Your Committee finds that some employees might need to drive more than twelve hours per day, such as those working multiple shifts, and that the twelve-hour limit could be too restrictive. Because most employers do not allow drinking at work, allowing an employee to drive for work purposes for more than twelve hours per day will allow the employee to remain employed without increasing the likelihood of the employee driving under the influence.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2003, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3138 Transportation and Energy on H.B. No. 1942

The purpose and intent of this measure is to require the issuance of limited purpose driver's licenses, limited purpose provisional driver's licenses, or limited purposes instruction permits to applicants who voluntarily choose to obtain a REAL ID compliant State Civil Identification Card.

Your Committee received testimony in support of this measure from the Department of Transportation, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Filipina Advocacy Network, and one individual.

Your Committee finds that Congress enacted the REAL ID Act in 2005, creating a set of federal standards for the issuance of identification cards. The REAL ID Act allows individuals to have only one REAL ID-compliant identification card. This measure is necessary to ensure that a person who elects to hold a state civil identification card as the person's REAL ID-compliant credential is

obtaining a non-compliant limited purpose driver's license, limited purpose provisional driver's license, or limited purpose instruction permit.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1942, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3139 Transportation and Energy on H.B. No. 2161

The purpose and intent of this measure is to change the penalty for improper motor vehicle inspections at inspection stations from revocation or suspension of the station's operating permit to a fine.

Your Committee received comments on this measure from the Department of Transportation.

Your Committee finds that inspection stations performing improper motor vehicle inspections can lead to vehicles that are unsafe for driving. This not only endangers the driver, but other drivers and pedestrians as well. Your Committee understands the consequences that revocation or suspension of a station's operating permit may have for a station's employees but also notes that while fines can be an appropriate punishment to encourage compliance, your Committee notes that fines can be particularly harmful to smaller stations.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2161, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2161, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3140 Transportation and Energy on H.B. No. 2108

The purpose and intent of this measure is to extend the authorization to issue special purpose revenue bonds to assist Kaiuli Energy, LLC, with the financing of the planning, design, and construction of a seawater air conditioning district cooling facility and chilled water distribution system.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities for the Democratic Party of Hawaii; Organizing for Action; 350Hawaii.org; 350.org; Kaiuli Energy, LLC; Ulupono Initiative; Maikai Ocean Engineering; and fifteen individuals. Your Committee received testimony in opposition to this measure from the Ilikai Association of Apartment Owners and eleven individuals.

Your Committee finds that seawater air conditioning systems are better for the environment than the central refrigeration systems that are commonly used. Seawater air conditioning systems use less fossil fuel, electricity, and potable water, and produces less harmful emissions and sewer waste. Kaiuli Energy, LLC, is working with major hotel operators and utilities in Waikiki to implement this technology, which will help the State reach its clean energy goals and support the tourism industry in a more sustainable manner.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2108, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3141 Transportation and Energy on H.B. No. 2589

The purpose and intent of this measure is to authorize the Department of Transportation to designate shoulders upon which motorcycles are allowed to drive under certain conditions.

Your Committee received testimony in support of this measure from the Department of Transportation; Street Bikers United Hawaii; Honolulu Harleys Owners Group; Sun Riders, LLC; Hawaii Street Riders Association; Mo'opuna O' Hawai'i Motorcycle Club; and thirty-three individuals. Your Committee received testimony in opposition to this measure from the Honolulu Police Department and AAA Hawaii.

Your Committee finds that due to their smaller size, motorcycles are sometimes hard to spot on roadways, which can result in other drivers not noticing the motorcycle and crashing into the motorcycle. Motorcyclists also have limited protections in accidents. Your Committee notes that a major source of these types of accidents is during heavy congestion, when drivers of cars or trucks fail to notice a motorcycle stopped in front of them. Your Committee also notes that motorcycles rely on airflow to cool their engines, and traffic congestion can increase the likelihood of a motorcycle stalling or overheating.

Your Committee heard concerns that allowing motorcycles to use shoulders in certain circumstances raises other safety issues. For example, other vehicles that might need to use the shoulder, such as emergency vehicles or broken down vehicles, might not notice a motorcyclist riding in the shoulder. Furthermore, driving conditions for shoulders can be very poor: the pavement could be poorly kept, and debris and trash often accumulate on the shoulder. Your Committee notes that the Department of Transportation, which will be responsible for designating the conditions and locations that motorcycles will be allowed to drive on shoulders, recognizes in its

testimony many of these concerns and is committed to working with the Hawaii motorcycling community and law enforcement to determine what areas would be safe to designate shoulders for motorcycles to use under certain conditions.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2589, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3142 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2587

The purpose and intent of this measure is to extend the period that a county may adopt a surcharge on state tax, under certain conditions, by six months, from March 31, 2018, to September 30, 2018.

Your Committees received testimony in support of this measure from the Hawaii County Mayor and Pacific Resource Partnership. Your Committees received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committees find that counties are permitted to establish a surcharge on state tax for operating or capital costs of public transportation, but the ordinance to establish this surcharge must be adopted prior to March 31, 2018. Your Committees note that some counties are working to establish a surcharge, but because the counties are holding public hearings, any proposed ordinances are unlikely to be adopted in time to meet the March 31 deadline.

Your Committees heard the Department of Taxation's concerns about having sufficient time to prepare for the collection of the county surcharge. Your Committees note that the companion to this measure, S.B. No. 3088, S.D. 2, which was previously passed by the Senate, is a substantially similar measure that addresses this concern. In addition, S.B. No. 3088, S.D. 2, contains language clarifying how proceeds from the surcharge can be spent.

Accordingly, your Committees have amended this measure by:

- (1) Deleting its contents and inserting contents of S.B. No. 3088, S.D. 2, a substantially similar measure, which:
 - (A) Extends the period that a county may adopt a surcharge on state tax, under certain conditions, from March 31, 2018, to June 30, 2018, rather than September 30, 2018; and
 - (B) Requires that for counties with a population equal to or less than five hundred thousand that adopts a county surcharge on state tax that:
 - (i) No less than sixty percent of the surcharge shall be used for transportation purposes; and
 - (ii) Up to two percent of the surcharge can be used on any roadway used by the general public; and
- (2) Inserting an effective date of January 1, 2100, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2587, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2587, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).
Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Ihara).

SCRep. 3143 (Joint) Transportation and Energy and Commerce, Consumer Protection, and Health on H.B. No. 2460

The purpose and intent of this measure is to develop and refine the State's microgrid technologies and policies by establishing a microgrid demonstration project at the Natural Energy Laboratory of Hawaii Authority.

Your Committees received testimony in support of this measure from Natural Energy Laboratory of Hawaii Authority, Life of the Land, Hawaii Solar Energy Association, Ulupono Initiative, Organizing for Action, 350Hawaii.org, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Sierra Club of Hawaii, Sierra Student Coalition, and eleven individuals. Your Committees received testimony in opposition to this measure from Hawaiian Electric Company, Inc. Your Committees received comments on this measure from the Public Utilities Commission.

Your Committees find that microgrids offer the potential to aggregate pockets of load and generation resources that can disconnect and reconnect to the larger grid in times of emergency. Your Committees note that the Natural Energy Laboratory of Hawaii Authority (NELHA) is the optimal choice to perform a microgrid demonstration project, as the implementation of microgrid technology is a key component of NELHA's Distributed Energy Resources strategy and master plan. Testimony from NELHA further emphasized the benefits of housing the demonstration project at NELHA, including NELHA's physical infrastructure and location and the relationships NELHA has already developed with other organizations. Testimony from NELHA also emphasized the need to establish the site as a demonstration project in order to gain better leverage when applying for grants.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2460, H.D. 2, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Chang, Ruderman).

SCRep. 3144 (Joint) Transportation and Energy and Commerce, Consumer Protection, and Health on H.B. No. 2249

The purpose and intent of this measure is to enhance the State's electric grid resiliency by:

- (1) Encouraging investment in energy efficiency through the creation of a sub-fund under the green energy market securitization loan fund, to be used as a revolving line of credit, for any state agency or department to obtain low-cost financing to install energy-efficiency measures; and
- (2) Promoting funding of critical infrastructure by:
 - (A) Creating a grid resilience task force to identify critical infrastructure needs;
 - (B) Establishing a grid resiliency rebate program to encourage funding for critical infrastructure; and
 - (C) Directing government agencies and public utilities to incorporate grid resiliency into their planning.

Your Committees received testimony in support of this measure from Tesla, Organizing for Action, Hawaii Solar Energy Association, 350Hawaii.org, 350.org, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Sierra Club of Hawaii, Sierra Student Coalition, and twenty individuals. Your Committees received testimony in opposition to this measure from Hawaiian Electric Company, Inc. Your Committees received comments on this measure from the Department of Budget and Finance; Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs Division of Consumer Advocacy; Hawaii Green Infrastructure Authority; Public Utilities Commission; Tax Foundation of Hawaii; Life of the Land, Ulupono Initiative; and Distributed Energy Resources Council of Hawaii.

Your Committees find that as an island state, Hawaii is particularly susceptible to natural disasters. A resilient electric grid is a critical component to the State's ability to overcome a natural disaster. However, your Committees heard testimony expressing concern about how this measure approaches grid resiliency. In particular, there was concern about the state of the green energy market securitization loan fund, as well as whether the rebate program proposed in this measure would effectively improve grid resiliency. Your Committees believe that a careful assessment of how to best implement grid-resiliency policies should be done before expanding the green energy market securitization program and establishing a new rebate program.

Your Committees note that S.B. No. 2910, S.D. 2 (Regular Session of 2018), which was previously passed by the Senate, creates a council tasked with evaluating appropriate strategies to enhance grid resiliency.

Accordingly, your Committees have amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2910, S.D. 2, which establishes a homeland security and resiliency council that shall:
 - (A) Establish strategies, goals, priorities, and recommendations to enhance the security and resiliency of the electric grid and other critical infrastructure sectors in the State; and
 - (B) Assess the capacity and availability of existing resources and identify new sources of revenue necessary to enhance resiliency of critical infrastructure sectors;
- (2) Inserting an effective date of January 1, 2100, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2249, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2249, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Chang, Ruderman).

SCRep. 3145 (Joint) Transportation and Energy and Commerce, Consumer Protection, and Health on H.B. No. 2110

The purpose and intent of this measure is to encourage and facilitate the development and use of microgrids by establishing a standard microgrid services tariff.

Your Committees received testimony in support of this measure from Hawaiian Electric Company, Inc.; Hawaii Energy Policy Forum; Energy Research Systems; Life of the Land; Hawaii Solar Energy Association; Ulupono Initiative; Blue Planet Foundation; Distributed Energy Resources Council of Hawaii; Organizing for Action; 350Hawaii.org; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Sierra Club of Hawaii; Sierra Student Coalition; and ten individuals. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs Division of Consumer Advocacy and Kauai Island Utility Cooperative.

Your Committees find that microgrids have a significant role to play in achieving Hawaii's clean energy policies. Furthermore, microgrids increase resiliency and allow for faster recovery in the event of natural disasters and other emergencies. However, your Committees note that microgrids could adversely affect other energy consumers. In order to promote the development of microgrids that are fair to electric utilities, microgrid operators, and ratepayers, it is necessary to establish a tariff that standardizes and streamlines projects.

Your Committees have amended this measure by:

- (1) Adding language to clarify that the microgrid services tariff will not make a microgrid a public utility;
- (2) Expanding the scope of information the Public Utilities Commission is required to consider for the microgrid services tariff to include microgrids in all jurisdictions, as opposed to just Puerto Rico; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2110, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2110, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Chang, Ruderman).

SCRep. 3146 Transportation and Energy on H.B. No. 2435

The purpose and intent of this measure is to amend the definition of “rates” in Hawaii’s Motor Carrier Law to clarify that, for packages that include other services, “rates” only refers to charges for the provision of transportation by motor vehicle of passengers.

Your Committee received testimony in support of this measure from Robert’s Hawaii, Inc. and E Noa Corporation.

Your Committee finds that the Public Utilities Commission (PUC) regulates all chartered, franchised, certified, and registered public utility companies operating in the State, including motor vehicle carriers. The PUC imposes tariffs on motor vehicle carriers for rates, fares, and charges. Under the existing definition of “rates”, the tariff is applied to non-transportation services and items like lunch, admission fare, and airfare that are often included in package deals offered by the motor vehicle carrier. Your Committee finds that this does not reflect the primary responsibility of the PUC. As such, the definition of “rates” should be amended to include only costs related to motor vehicle transportation.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2435, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2435, H.D. 1, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3147 Transportation and Energy on H.B. No. 2283

The purpose and intent of this measure is to authorize the issuance of general obligation bonds for the designs, plans, materials, construction, and equipment for three capital improvement projects in the H-1 Corridor:

- (1) The widening of Kaulaka’i parkway to Waiawa Interchange;
- (2) The widening of Wahiawā Interchange to Hālawā Interchange; and
- (3) Modifications to the Fort Weaver/Kunia Road ramp.

Your Committee received testimony in support of this measure from the Department of Transportation, O’ahu County Committee on Legislative Priorities of the Democratic Party of Hawai’i, and one individual.

Your Committee finds that the H-1 Corridor is a highly trafficked highway that is critical to the functioning of O’ahu’s economy. Your Committee notes that the 2016 H-1 Corridor Study stresses the importance of keeping the H-1 well-maintained and regularly assessing portions of the H-1 that can be improved for traffic flow. The study also identified sixty-three capital improvement projects located directly on H-1 that address traffic congestion problems. The three capital improvement projects in this measure are on the list of projects identified in the study.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2283, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2283, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3148 Transportation and Energy on H.B. No. 2007

The purpose and intent of this measure is to create general excise tax equity among the types of aircraft in the State by amending the definition of “aircraft” to include helicopters.

Your Committee received testimony in support of this measure from Maui Hotel and Lodging Association, O’ahu County Committee on Legislative Priorities of the Democratic Party of Hawai’i, Blue Hawaiian Helicopters, and Hawaii Helicopters. Your Committee received testimony in opposition to this measure from the Mayor of the County of Hawaii. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the State relies on a well-functioning aircraft industry in order to have a strong, robust economy. In order to ensure the health of the aircraft industry, the State offers certain tax exemptions, such as exempting from the general excise tax the amounts received for servicing and maintenance of aircraft. However, your Committee notes that the current definition of "aircraft" does not include helicopters, which have grown increasingly popular for air travel. Furthermore, your Committee heard testimony that this measure would not lead to complete tax equity among aircraft even with the addition of helicopters to the definition of "aircraft", as the definition would still omit smaller airplanes that operate with one jet engine or propellers.

Accordingly, your Committee has amended this measure by:

- (1) Amending the definition of "aircraft" in section 237-24.9, Hawaii Revised Statutes, by removing language that limits the definition to craft that operate with two or more jet engines;
- (2) Amending its purpose section to more accurately reflect its contents; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2007, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2007, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3149 Transportation and Energy on H.B. No. 1938

The purpose and intent of this measure is to increase the maximum fine for passing or overtaking a school bus on state highways when the bus is stopped and its visual signals are on, from \$500 to \$1,000.

Your Committee received testimony in support of this measure from the Department of Transportation, Department of Education, Hawaii Transportation Association, and one individual.

Your Committee finds that students who utilize the school bus as their primary means of transportation can face safety risks when they disembark the bus and need to cross the street. Drivers who are unaware of the disembarking students could attempt to pass the bus just as students are crossing the street, potentially seriously injuring unsuspecting students. In 2017, Hawaii school bus drivers collectively counted over six hundred illegal passes in a single day of service. Increased penalties for illegally passing a bus is one way to improve awareness and compliance.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1938, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3150 Transportation and Energy on H.B. No. 1625

The purpose and intent of this measure is to allow the registered owner of a motor vehicle to designate a beneficiary to whom ownership of the vehicle shall be transferred upon the registered owner's death.

Your Committee received testimony in support of this measure from two individuals.

Your Committee finds that owners of motor vehicles do not always prepare for the ownership of their vehicle after they die. This can lead to confusion about vehicle ownership, annual registration and safety checks, maintenance, and abandonment when the owner of the vehicle passes away. Allowing owners to designate a beneficiary in the event of death will reduce the problems related to unclear ownership of the vehicle.

Your Committee notes that S.B. No. 2240 (Regular Session of 2018) is a substantially similar measure. In addition to allowing the designation of a beneficiary, S.B. No. 2240 also establishes how the designation of the beneficiary may be revoked or changed, establishes procedures for transferring ownership after death, and makes additional conforming amendments in the Hawaii Revised Statutes. Your Committee concludes that the language in S.B. No. 2240 is preferable because changing the beneficiary is an important option for vehicle owners and the process for transferring ownership needs to be clear.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2240, which:
 - (A) Allows upon the registration of a vehicle, that the owner of a vehicle to designate a beneficiary to whom the vehicle will be transferred to upon the owner's death, and establishes how the designation of the beneficiary may be revoked or changed;
 - (B) Adds to the certificate of registration after the name of the owner, the words "transfer on death to" followed by the name of the beneficiary; and
 - (C) Establishes procedures for transferring ownership after death; and
- (2) Inserting an effective date of January 1, 2100, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1625, H.D. 1, as amended herein, and recommends that it pass

Second Reading in the form attached hereto as H.B. No. 1625, H.D. 1, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3151 Transportation and Energy on H.B. No. 2177

The purpose and intent of this measure is to eliminate the exemption U-drive motor vehicles have for certification of registration, with regard to the fee established in section 286-51, Hawaii Revised Statutes, and the maximum amount that may be increased by ordinance.

Your Committee received testimony in support of this measure from the Department of Transportation, Maui County Mayor's Office, and three Maui County Councilmembers.

Your Committee finds that making certification of registration fees uniform streamlines administration and collection of these fees. In addition, eliminating the exemption on registration fees for U-drive motor vehicles will provide counties with additional revenue to deal with abandoned vehicles that mar the beauty of the State and pose a danger to the public by creating unsafe driving conditions.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2177, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3152 (Joint) Transportation and Energy and Higher Education on H.B. No. 1830

The purpose and intent of this measure is to:

- (1) Allow the Legislature to make appropriations into the University of Hawaii green special fund;
- (2) Expand the projects the special fund is allowed to support to include energy efficiency, energy conservation, and renewable energy projects;
- (3) Eliminate the expenditure cap that requires approval by the Legislature; and
- (4) Require the Legislature to be notified of any expenditures from the fund.

Your Committees received testimony in support of this measure from the University of Hawai'i System, Hawaii Energy, Ulupono Initiative, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Blue Planet Foundation, and Sierra Club of Hawaii. Your Committees received comments on this measure from the Department of the Attorney General.

Your Committees find that green revolving funds are a best practice used by many colleges and universities dedicated to addressing sustainable facilities, operations, and behaviors. Sustainable facilities and practices at the University of Hawai'i, which is the second largest energy user in the State, play a critical role in achieving the State's goal of one hundred percent clean energy by 2045. Allowing the Legislature to make appropriations into the University's green special fund and expanding the types of projects the special fund is allowed to support will enhance the sustainable facilities, operations, and operations at the University.

Your Committees note a concern raised by the Department of the Attorney General about the role of the Legislature with regard to expenditures from the fund. The Department of the Attorney General suggested that "legislative notification" of expenditures from the fund could be read to violate the constitutional provision that requires appropriation of public monies be "made by law".

Accordingly, your Committees have amended this measure by:

- (1) Incorporating the language recommended by the Department of the Attorney General clarifying that expenditures from the fund are made by appropriation; and
- (2) Inserting an effective date of January 1, 2100, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1830, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1830, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).
Higher Education: Ayes, 5. Noes, none. Excused, none.

SCRep. 3153 (Joint) Transportation and Energy and Higher Education on H.B. No. 1767

The purpose and intent of this measure is to prohibit any vehicle, except low-range, four-wheel drive vehicles, from being driven through or in Waipi'o Valley or the Mauna Kea Science Reserve, except under certain circumstances.

Your Committees received testimony in support of this measure from the Office of Maunakea Management, one Hawaii County councilmember, Maunakea Observatories Support Services, Canada-France-Hawaii Telescope Corp., and four individuals. Your Committees received comments on this measure from the Office of Hawaiian Affairs.

Your Committees find that the largely unregulated vehicular access to the Maunakea summit and Waipi'o Valley floor has resulted in serious public safety concerns, primarily among vehicles that are ill-equipped to drive in these areas. Not only are ill-equipped

vehicles at risk, but these vehicles can affect the gravel road, putting extra burden on the road crew who need to grade the road more often.

Your Committees further find that residents with a disability or their families often have a vehicle which has been modified to provide ingress and egress by the person with a disability. These modifications often add additional weight to the vehicle, which results in these residents paying more in state and county motor vehicle weight taxes in comparison to residents with non-modified vehicles. Your Committees believe that there is a need to address this hardship by excluding the weight of disability access modifications from the determination of net weight for state and county motor vehicle weight taxes.

Your Committees have amended this measure by:

- (1) Adding a part II by inserting the contents of S.B. No. 2714, S.D. 1, which was previously passed by the Senate, and amends the definition of "net weight" to exclude the weight of any vehicle modifications made to assist a person with a disability;
- (2) Inserting an effective date of January 1, 2100, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees request that should your Committee on Ways and Means choose to consider this measure, that your Committee on Ways and Means hold a public hearing on this measure to allow testimony to be heard on the newly included part II, rather than holding a hearing for decision-making only.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1767, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1767, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

Higher Education: Ayes, 5. Noes, none. Excused, none.

SCRep. 3154 Education on H.B. No. 2353

The purpose and intent of this measure is to make miscellaneous technical amendments to update language and facilitate library operations, including amending provisions related to the detention of public library materials and administration of the library fee for enhanced services special fund.

Your Committee received testimony in support of this measure from the Hawai'i State Public Library System, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and Friends of the Library of Hawai'i.

Your Committee finds that Hawaii's public libraries offer many public benefits, including acting as community gathering places where learning happens and knowledge is shared. Many members of the public, including children and kupuna, rely on the public library system, which necessitates the need for the system to operate as efficiently and effectively as possible.

Your Committee further finds that since the Hawaii State Library Foundation is now Friends of the Library of Hawaii following a merger of the two organizations in 2004, it is appropriate to update references to the organization in state law. Additionally, to further reduce the burden of substantial fees for the organization to hold a minimum amount of funds with a trust company, it is appropriate to remove language that would impose further trust fund requirements.

Your Committee has amended this measure by:

- (1) Changing references to the Hawaii State Library Foundation to the Friends of the Library of Hawai'i;
- (2) Changing the name of the Hawaii state library foundation trust fund to the friends of the library of Hawai'i program fund and clarifying its functions; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2353, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2353, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

SCRep. 3155 (Joint) Water and Land and Agriculture and Environment and Government Operations on H.B. No. 2547

The purpose and intent of this measure is to:

- (1) Establish the Hawaii Sustainability Act to set forth sustainability goals for the State;
- (2) Establish the Office of Sustainability to assist state agencies in accomplishing the sustainability goals under the Hawaii Sustainability Act;
- (3) Establish and appropriate funds into the state sustainability special fund to support the work of the Office of Sustainability and sustainability initiatives, projects, and services; and
- (4) Appropriate funds for the establishment of seven full-time equivalent permanent positions and the operating expenses of the Office of Sustainability.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Office of Planning; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; The Nature Conservancy; Hawaii Farm Bureau Federation; Hawai'i Interfaith Power and Light; Ulupono Initiative; Hawaii Chapter of 350.org; Sierra Club of Hawai'i; and fifteen individuals. Your Committees received comments on this measure from the Department of Budget and Finance, Department of the Attorney General, and State Procurement Office.

Your Committees find that the State faces a growing number of pressing issues, including the steady deterioration of public infrastructure, the lack of affordable housing, a continued reliance on a service-based economy, the vulnerability of Hawaii in a volatile global energy market, possible interruptions in travel and to critical food supplies, threats to fragile island ecosystems, ever increasing numbers of residents, and an increasing number of visitors over the long term. These issues all raise questions about the long-term limits of growth in the State and highlight the need for planning and implementation to assure Hawaii's future. This measure supports the development of a legal framework and foundation to assist in the development and implementation of sustainability planning, practices, and projects statewide.

Your Committees note the concerns raised by the Department of the Attorney General that this measure appears to duplicate some of the functions of the Office of Planning. The Office of Planning is responsible for providing technical assistance in administering the Hawaii State Plan under chapter 226, Hawaii Revised Statutes, and assisting the State in pursuing the seven major areas of statewide concern, including sustainability, to improve the quality of life for Hawaii's present and future populations. To avoid unnecessary duplication of services and programs as well as potential conflict, the Department of the Attorney General suggested establishing the Office of Sustainability with purposes and programs that are clearly distinguishable from the Office of Planning.

Your Committees further note that the Office of Planning employs a Sustainability Coordinator who is responsible for establishing statewide sustainability planning and implementing the State's sustainability goals and policies. However, the Sustainability Coordinator is the only individual in the Office who is responsible for sustainability issues and operates without a budget to pursue sustainability initiatives. Given the importance of sustainability for Hawaii, your Committees believe that, in lieu of establishing a new office for sustainability initiatives, the Office of Planning should incorporate a greater focus on sustainability under its duties and responsibilities.

Accordingly, your Committees have amended this measure by:

- (1) Adding language to the preamble that indicates the reasons for incorporating sustainability duties and responsibilities with the duties and responsibilities of the Office of Planning;
- (2) Deleting sections 3 through 5 and replacing them with language that:
 - (A) Amends chapter 225M, Hawaii Revised Statutes, to incorporate the duties and responsibilities relating to sustainability into the duties and responsibilities of the Office of Planning; and
 - (B) Makes conforming amendments to replace references to the "Office of Planning" with the "Office of Planning and Sustainability"; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land, Agriculture and Environment, and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2547, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2547, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).

Government Operations: Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Ruderman).

SCRep. 3156 (Joint) Education and Water and Land on H.B. No. 2679

The purpose and intent of this measure is to:

- (1) Authorize the Department of Education to acquire any real, personal, or mixed property or any interest therein for public educational purposes, under certain conditions;
- (2) Specify that lands to which the Department of Education holds title shall not be considered public lands; and
- (3) Transfer fee interest in certain public school lands from the City and County of Honolulu and Department of Land and Natural Resources to the Department of Education.

Your Committees received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, Building Industry Association of Hawaii, and one individual. Your Committees received testimony in opposition to this measure from the Office of Hawaiian Affairs, Department of Parks and Recreation for the City and County of Honolulu, 'Aina Haina Community Association, and one individual. Your Committees received comments on this measure from the Department of the Attorney General and Department of Land and Natural Resources.

Your Committees find that the Department of Education has managed county school lands throughout the State since 1965. Your Committees further find that many public schools in Hawaii require extensive renovation or rebuilding, and that this process is unnecessarily complicated by having state schools on county land, or situated on both county and state land. Your Committees additionally find that transferring a fee simple interest for county school lands to the State will greatly simplify the process of undertaking much needed repairs and renovations.

Your Committees have amended this measure by deleting its contents and inserting the contents of S.B. No. 2237, S.D. 2, (Regular Session of 2018) which:

- (1) Requires the City and County of Honolulu to transfer to the Department of Education all property upon which a public elementary or intermediate school is situated;
- (2) Gives the Department of Education the power to acquire and hold title to real, personal, or mixed property for use for public educational purposes;
- (3) Removes lands to which the Department of Education holds title from the definition of "public lands";
- (4) Requires legislative approval prior to the sale or gift of lands to which the Department of Education holds title; and
- (5) Appropriates an unspecified amount of funds as a grant-in-aid to the City and County of Honolulu to prepare, execute, and record the quitclaim deeds required by this measure.

As affirmed by the records of votes of the members of your Committees on Education and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2679, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2679, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

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

Water and Land: Ayes, 3. Noes, none. Excused, 2 (Inouye, Thielen).

SCRep. 3157 Labor on H.B. No. 1727

The purpose and intent of this measure is to:

- (1) Require employers to provide a minimum amount of paid sick leave to employees to be used to care for themselves or a family member who is ill or needs medical care, or due to a public health emergency; and
- (2) Give employers flexibility to offer paid sick leave to minimum wage and other employees or to pay minimum wage employees a salary that is more than the minimum wage.

Your Committee received testimony in support of this measure from the International Brotherhood of Electrical Workers Local Union 1260, AFL-CIO; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawaii State AFL-CIO; Labor Caucus of the Democratic Party of Hawaii; ILWU Local 142; Hawaii State Teachers Association; IMU Alliance; and two individuals. Your Committee received testimony in opposition to this measure from the City and County of Honolulu Department of Human Resources; Chamber of Commerce Hawaii; Hawaii Food Industry Association; Hawaii Credit Union League; Aloha Shell Service; Hawaii Petroleum; City Mill Co., Ltd.; Hawaii Restaurant Association; ABC Stores; Hawaiian Chip Company; Retail Merchants of Hawaii; National Federation of Independent Business; Society for Human Resource Management – Hawaii Chapter; Building Industry Association of Hawaii; The Queen's Health Systems; Maui Chamber of Commerce; Tiki's Grill and Bar; and thirty-three individuals. Your Committee received comments on this measure from the Department of Labor and Industrial Relations, Department of Human Resources Development, Hawaii State Commission on the Status of Women, YWCA O'ahu, Hawaii Women's Coalition, Hawaii Children's Action Network, Hawai'i Appleseed Center for Law & Economic Justice, American Council of Engineering Companies of Hawaii, and one individual.

Your Committee finds that Hawaii's working families are especially vulnerable, and that the majority of Hawaii's workforce cannot afford to take unpaid leave to care for themselves or a family member who is ill or needs medical care. Yet, for 240,000 employees who serve as primary caregivers to a family member, this is the dilemma they face. Your Committee further finds that seven in ten children live in a household where both parents work, and over a quarter of children live in households with single parents; therefore, a lack of meaningful paid sick leave policies puts them most at risk.

Your Committee has amended this measure by:

- (1) Amending the definition of "employer" to exclude federal employers;
- (2) Clarifying that grandparents are included within the definition of "family member";
- (3) Reducing the number of hours of work required for an employee to begin accrual of paid sick leave from six hundred eighty hours to four hundred eighty hours;
- (4) Reducing the hour of employment on which an employee is entitled to use accrued paid sick leave from the seven hundred fiftieth hour to the four hundred eighty-first hour;
- (5) Deleting language that would have allowed paid sick leave to be provided based on a manner deemed suitable by the employer; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee requests that, as this measure moves forward, your Committee on Ways and Means consider inserting an enforcement provision.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1727, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1727, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3158 Labor on H.B. No. 1880

The purpose and intent of this measure is to extend the sunset date of Act 65, Session Laws of Hawaii 2013 (Act 65), which provides a limited exemption to the licensing requirements for certain individuals in situations when an electric utility must retain qualified individuals to work with high voltage (six hundred volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility.

Your Committee received testimony in support of this measure from the Board of Electricians and Plumbers; Hawaiian Electric Company, Inc.; Power Contracting LLC; and Chamber of Commerce Hawaii. Your Committee received testimony in opposition to this measure from the Department of Labor and Industrial Relations and International Brotherhood of Electrical Workers Local Union 1186. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that most in-state electrical workers are experienced in only low voltage work, which includes wiring buildings at one hundred twenty/two hundred forty volts; therefore, in the event of a catastrophic occurrence requiring electrical workers who possess the level of skill required for high voltage work, Hawaii must import workers from the mainland since there are not enough electricians, splicers, and linemen in the State who are experienced and qualified to work with high voltage and who could respond in the event of a catastrophic occurrence or complex maintenance work affecting an electric utility. Your Committee further finds that Act 65 provides a limited exemption to the licensing requirements for certain individuals in situations when an electric utility must retain qualified individuals to work with high voltage (six hundred volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility; however, Act 65 sunsets on June 30, 2018. This measure extends the sunset date of Act 65 for five years, to June 30, 2023.

Your Committee acknowledges that this measure is a continuing work in progress and believes it is in the State's best interest to continue to move this measure forward for further deliberation.

Accordingly, your Committee has amended this measure by:

- (1) Inserting an effective date of January 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1880, H.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1880, H.D. 3, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3159 Labor on H.B. No. 2077

The purpose and intent of this measure is to:

- (1) Establish the public employees training program within the Department of Human Resources Development to provide training programs to improve and enhance state employees' understanding of their job duties; and
- (2) Allocate an amount equal to one percent of collective bargaining increases to the public employees training program.

Your Committee received testimony in support of this measure from the Judiciary; Department of Human Resources Development; and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO. Your Committee received testimony in opposition to this measure from the United Public Workers, AFSCME, Local 646, AFL-CIO. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that there is a rising number of eligible retirees within the various departments of state government, which creates a pressing need to prepare the next generation of workers to occupy positions vacated by retirees, especially at the supervisory level. Your Committee believes that a public employees training program could help to stabilize the workforce and ensure the transfer of essential skills and institutional knowledge.

Your Committee further finds that while this measure requires an amount equal to one percent of the collective bargaining increases from the prior fiscal year be deposited into the public employees training fund, this measure does not specify the origin of these funds, which has led to ambiguity and differing interpretations among testifiers. As this measure moves to your Committee on Ways and Means, it would be most appropriate for a determination to be made as to the appropriate source of funding for the public employees training program.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2077, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Taniguchi). Noes, none. Excused, none.

SCRep. 3160 Economic Development, Tourism, and Technology on H.B. No. 1328

The purpose and intent of this measure is to amend the motion picture, digital media, and film production income tax credit by:

- (1) Allowing a qualified production to provide the State with alternative marketing opportunities, that are approved by the Department of Business, Economic Development, and Tourism, that offer equal or greater promotional value to the State than the shared-card, end-title screen credit;
- (2) Requiring the Department of Business, Economic Development, and Tourism to submit a detailed report on the alternative marketing opportunities that the Department has approved; and
- (3) Amending the aggregate tax credit cap from \$35,000,000 to an unspecified amount.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; University of Hawai'i System; Honolulu Film Office; Office of Economic Development of the County of Kauai; Motion Picture Association of America; Hawaii International Film Association; Hawaii Film and Entertainment Board; HT Project, Inc.; Da Spot; SAG-AFTRA; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; International Alliance of Theatrical Stage Employees Local 665; International Brotherhood of Electrical Workers Local Union 1260; and one hundred thirty-six individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and two individuals.

Your Committee finds that Hawaii has been represented in many films and television shows that use or showcase the natural beauty of our State. The film industry has stimulated the economy in Hawaii by creating jobs while promoting Hawaii as a visitor destination. Your Committee notes that television shows such as Hawaii Five-0 have not only advertised the beauty of Hawaii, but also has brought in revenue through the creation of jobs and utilization of public lands and properties. Your Committee finds that Act 143, Session Laws of Hawaii 2017, amended the motion picture, digital media, and film production income tax credit by, among other things, imposing an aggregate tax credit cap of \$35,000,000. In testimony received by your Committee, in 2017, forty-eight productions registered for the motion picture, digital media, and film production income tax credit and will potentially claim \$55,000,000 in tax credits. This is beyond the cap set at \$35,000,000, and your Committee finds that the cap should be increased to allow for the continuance of productions seeking to film in Hawaii.

Accordingly, your Committee has amended this measure by:

- (1) Inserting an annual aggregate cap of \$55,000,000 for the motion picture, digital media, and film production income tax credit;
- (2) Reducing the amount of total tax credits that may be claimed per qualified production from \$15,000,000 to \$12,500,000; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1328, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1328, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 3161 Economic Development, Tourism, and Technology on H.B. No. 2075

The purpose and intent of this measure is to:

- (1) Establish a two-year alternative energy research and development program to provide matching grants to qualified businesses that have been awarded a competitive contract from the United States Department of Defense Office of Naval Research to conduct research and development in alternative energy; and
- (2) Establish the alternative energy research and development revolving fund to promote alternative energy research and development in Hawaii.

Your Committee received testimony in support of this measure from the Hawaii Technology Development Corporation; Makai Ocean Engineering, Inc.; Chamber of Commerce Hawaii; Navatek; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and four individuals. Your Committee received comments on this measure from Oceanit Laboratories, Inc.

Your Committee finds that research focused on creating new forms of alternative energy is in line with the State's clean energy goal of one hundred percent renewable energy by the end of 2045. Your Committee further finds that Act 159, Session Laws of Hawaii 2015 (Act 159), established a matching grant pilot program to support local companies that are conducting research on renewable energy through existing contracts with the United States Department of Defense, Office of Naval Research. Your Committee notes that the program established by Act 159 expired on June 30, 2017. Your Committee believes that this program has the potential to elevate Hawaii as a leader in renewable energy and that it should be reestablished.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2075, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2075, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 3162 (Joint) Economic Development, Tourism, and Technology and Government Operations on H.B. No. 2225

The purpose and intent of this measure is to:

- (1) Require certain information technology projects to adhere to statewide information technology governance pursuant to section 27-43(a), Hawaii Revised Statutes;
- (2) Authorize the Chief Information Officer to establish a review process and review certain information technology projects to ensure that project execution and associated expenditures are sufficiently evaluated; and
- (3) Provide the Chief Information Officer full discretion to require independent verification and validation of certain information technology projects.

Your Committees received testimony in support of this measure from the Office of Enterprise Technology Services, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and Transform Hawai'i Government. Your Committees received testimony in opposition to this measure from the Department of Education.

Your Committees find that a mandatory governance process is necessary for information technology projects that are currently in place for the Executive Branch to ensure their efficiency and effectiveness. Your Committees further find that a methodical review and monitoring process is imperative to maintaining transparency in information technology projects and will also ensure that the projects achieve their expected objectives and provide a clear return on investment.

Your Committees have amended this measure by:

- (1) As suggested by the Office of Enterprise Technology Services:
 - (A) Establishing that when an information technology project of a sponsoring department or agency requires independent verification and validation, the sponsoring department or agency shall budget and pay for the costs of the independent verification and validation costs; and
 - (B) Giving the responsibility of procuring, administering, and managing independent verification and validation services to the Chief Information Officer; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2225, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2225, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Galuteria).

Government Operations: Ayes, 3; Ayes with Reservations (Keith-Agaran). Noes, none. Excused, 2 (Galuteria, Ruderman).

SCRep. 3163 (Joint) Economic Development, Tourism, and Technology and Agriculture and Environment on H.B. No. 2041

The purpose and intent of this measure is to appropriate funds to establish an aquaculture incubator at the Natural Energy Laboratory of Hawaii Authority to bring together entrepreneurs and investors to develop Hawaii's aquaculture industry.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development and Tourism; Department of Agriculture; Natural Energy Laboratory of Hawaii Authority; Hawaii Technology Development Corporation; Hawaii Strategic Development Corporation; Ulupono Initiative; Blue Ocean Mariculture; Marine Genetics; Cyanotech; Hawai'i Farm Bureau; O'ahu County Committee on Legislative Priorities from the Democratic Party of Hawai'i; Hawaii Aquaculture and Aquaponics Association; and five individuals. Your Committees received comments on this measure from Kua'āina Ulu 'Auamo.

Your Committees find that aquaculture can help to diversify Hawaii's economy and that it is a fast-developing industry that has potential to attract investment capital, talented researchers, and aspiring entrepreneurs to Hawaii. Your Committees further find that aquaculture produces roughly fifty percent of the world's seafood supply and the value of the industry is expected to grow by thirty-eight percent by 2020, which equals \$200,000,000,000. Your Committees recognize that Hawaii's natural resources create an opportunity to establish Hawaii as a leader in aquaculture and thereby bring in businesses from around the world to learn from Hawaii. Your Committees believe that the Natural Energy Laboratory of Hawaii Authority is a prime location to establish an aquaculture incubator given Hawaii's year-around growing climate, the biosecurity of its remote location, easy access to pristine seawater at various temperatures, and expertise of the Natural Energy Laboratory of Hawaii Authority staff.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2041, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2041, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 3164 (Joint) Economic Development, Tourism, and Technology and Water and Land and Agriculture and Environment on H.B. No. 1986

The purpose and intent of this measure is to establish a carbon credit revenue program to administer revenue realized from the sale of carbon credits and invest the proceeds from carbon credits in projects to improve the State's water infrastructure to mitigate threats to water sustainability due to climate change, which is consistent with the Hawaii 2050 sustainability plan.

Your Committees received testimony in support of this measure from the Ulupono Initiative, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and three individuals. Your Committees received testimony in opposition to this measure from the Department of Business, Economic Development, and Tourism; Department of Land and Natural Resources; and one individual. Your Committees received comments on this measure from the Office of Planning, The Nature Conservancy, and Hawai'i Farm Bureau.

Your Committees find that carbon emissions can have a serious effect on climate change, especially given its geographic location and economic dependence on natural beauty. Your Committees further find that a carbon credit revenue program has the potential to bring revenue into the State through the sale of carbon credits to carbon emitters. In testimony to your Committees, the Department of Land and Natural Resources estimated that the revenues generated by the sale of carbon offset credits would potentially cover fifteen percent of reforestation costs, supplying the State with more trees and offsetting carbon emissions.

Your Committees note that in its current form, this measure allows the Department of Business, Economic Development, and Tourism to administer "all and any revenues realized from the sale of any carbon credits or offsets", which fails to create any incentive to potential public and private partners of the Department to develop carbon sequestration projects in Hawaii. Your Committees believe that if the revenues from carbon credit sales are not allowed to be applied to the projects that generated the credit, project proponents will not engage in the costly and time intensive process of a carbon offset program.

Accordingly, your Committees have amended this measure, as suggested by the Department of Land and Natural Resources, by:

- (1) Changing the title of the program from "carbon credit revenue program" to "carbon offset program";
- (2) Requiring the Department of Business, Economic Development, and Tourism to work in collaboration with the Department of Land and Natural Resources in establishing the carbon offset program;
- (3) Deleting language that authorized the Department of Business, Economic Development, and Tourism to administer any and all revenues realized from the sale of any carbon credits or offsets in any established international or national carbon registries through project developers or by state agencies;
- (4) Making various amendments to the carbon offset program, including:
 - (A) Adding, as a function of the program, providing expertise in carbon offsetting to public agencies and private entities and assisting in coordinating carbon offset projects of public agencies;
 - (B) Allowing proceeds and revenues generated by sales of forest carbon offset credits to be used for forest stewardship; and
 - (C) Authorizing proceeds and revenues generated by sales of carbon credits other than forest carbon offset credits to be invested in projects enhancing the State's efforts to mitigate climate change and for watershed restoration or protection;
- (5) Amending the definition of "carbon credit" to mean a tradeable certificate or permit issued by a carbon registry;
- (6) Deleting the definition of "carbon credit revenue";
- (7) Amending the definition of "carbon offset" compensatory measures made by businesses and compensatory measures that increase carbon dioxide sequestration;
- (8) Amending the definition of "carbon registry" to include regional carbon registry programs;
- (9) Inserting a definition for "forest carbon offset" to mean a compensatory measure made by eligible entities that increase carbon dioxide sequestration;
- (10) Inserting a definition for "public agency" to mean a unit of state, city, or county government;
- (11) Inserting an appropriation of an unspecified amount to implement the program; and
- (12) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology, Water and Land, and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1986, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1986, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Agriculture and Environment: Ayes, 4; Ayes with Reservations (Ruderman). Noes, none. Excused, 1 (Nishihara).

SCRep. 3165 Economic Development, Tourism, and Technology on H.B. No. 2656

The purpose and intent of this measure is to encourage and expand the growth of the local craft beer industry by establishing an income tax credit for small craft beer producers who produce one hundred percent of their products in the State.

Your Committee received testimony in support of this measure from the Maui Brewing Company, Kauai Beer Company, Honolulu Beerworks, REAL a Gastropub, Lanikai Brewing Company, Kauai Island Brewing Company, Beer Lab Hawaii, Big Island Brewhaus, Hawaiian Craft Brewers Guild, Chamber of Commerce Hawaii, Waikiki Brewing Company, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Koholā Brewery, Kona Brewing Company, and two individuals. Your Committee received testimony in opposition to this measure from the Hawai'i Alcohol Policy Alliance and three individuals. Your Committee received comments on this measure from the Department of the Attorney General; Department of Business, Economic Development, and Tourism; and Department of Taxation.

Your Committee finds that small brewing companies have grown in recent years and stimulate Hawaii's economy by supporting other local businesses and creating more jobs. Your Committee further finds that the number of breweries in Hawaii has increased from eight in 2013 to fifteen by the end of 2017. Despite the growth in breweries, your Committee notes that only five percent of beers sold in Hawaii are produced locally. The location of Hawaii proves to be a large obstacle for breweries. Your Committee received testimony indicating that the cost of production in Hawaii is estimated to be forty percent higher than in the continental United States. Your Committee believes that local producers and manufacturers are key players in Hawaii's economy by keeping their employees, products, and market in Hawaii and that more support should be given to local businesses.

Your Committee has amended this measure by:

- (1) Reducing the amount of the tax credit that may be claimed by each qualified taxpayer from forty percent to twenty percent of the qualified expenses incurred;
- (2) Inserting an aggregate cap of \$300,000 for the total amount of tax credits that may be claimed by all qualified taxpayers in any taxable year;
- (3) Inserting a cap of \$50,000 for the annual tax credit allowed to each qualified producer;
- (4) Amending the definition of "qualified producer" to include all corporations that produce one hundred percent of their products in the State, rather than only domestic corporations;
- (5) Making it applicable to taxable years beginning after December 31, 2018, and ending on December 31, 2023; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2656, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2656, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 3166 Judiciary on H.B. No. 2072

The purpose and intent of this measure is to:

- (1) Prohibit certain restraints and tethers that endanger, or deny sustenance to, a dog; and
- (2) Establish penalties for offenses relating to tethering or restraints and involving nine or fewer pet animals in any one instance as a petty misdemeanor.

Your Committee received testimony in support of this measure from the Humane Society of the United States, Hawaiian Humane Society, West Hawaii Humane Society, Hawaii Veterinary Medical Association, Animal Rights Hawai'i, Windward Dog Park Hui, and fourteen individuals.

Your Committee finds that the improper or inappropriate use of tethers and other restraints on dogs reduces the quality of life of those dogs and increases the risk to members of the public who encounter such dogs. This measure will reduce ambiguity in the law and enable law enforcement officers to more effectively intervene in cases of animal abuse relating to tethers and other restraints. Your Committee further finds that, by the time intervention by law enforcement officers becomes necessary, persons alleged to be improperly using tether or other restraints will have received multiple warnings and other notice of alleged violation, and that a reduced penalty for offenses related to tethers and other restraints may not be appropriate.

Accordingly, your Committee has amended this measure by:

- (1) Removing language establishing offenses involving nine or fewer pet animals in any one instance as a petty misdemeanor;
- (2) Inserting language explicitly giving the court wide discretion to assess fines, order performance of community service, require mental health counseling, or order attendance at educational classes concerning animal abuse prevention in addition to or in lieu of other penalties;
- (3) Removing redundant language relating to preventing a dog from obtaining necessary sustenance;
- (4) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2072, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2072, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3167 (Joint) Higher Education and Labor on H.B. No. 1638

The purpose and intent of this measure is to appropriate funds for health care apprenticeship programs at the University of Hawai'i community colleges.

Your Committees received testimony in support of this measure from the University of Hawai'i System, Department of Health, Hawai'i Pacific Health, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and three individuals.

Your Committees find that apprenticeship programs approved by University of Hawai'i community colleges are composed of two major components: work process and related instruction. The work process component consists of on-the-job training, while the related instruction component is the structured class and laboratory or shop curricula. Therefore, apprenticeship programs develop job skills through theoretical and practical experiences.

Your Committees further find that the United States Department of Labor, Employment and Training Administration, awarded the State Department of Labor and Industrial Relations a substantial grant to expand apprenticeship opportunities in information technology and health care. This grant helped to alleviate the shortage of physicians, pharmacy technicians, nursing assistants, paraoptometric technicians, medical laboratory workers, and community health workers. This measure further supports the development, education, and training for individuals looking to enter the health care field.

Your Committees have amended this measure by:

- (1) Inserting an appropriation amount of \$1,167,000 for health care apprenticeship programs at the University of Hawai'i community colleges; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1638, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1638, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education: Ayes, 4. Noes, none. Excused, 1 (Kidani).

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

SCRep. 3168 (Joint) Higher Education and Transportation and Energy and Labor on H.B. No. 1805

The purpose and intent of this measure is to:

- (1) Require the University of Hawai'i community colleges to:
 - (A) Establish energy systems and technology training courses for county officers and employees responsible for permitting, inspecting, licensing, and approving construction projects;
 - (B) Establish an advisory committee of industry stakeholders who are familiar with the job duties performed by county officers and employees who permit, inspect, license, approve, or otherwise work with energy systems technology; and
 - (C) Submit a report to the Legislature describing the progress made in establishing energy systems and technology training courses for county officers and employees prior to the Regular Session of 2019; and
- (2) Appropriate funds for energy systems and technology training for county officers and employees responsible for permitting, inspecting, licensing, and approving construction projects.

Your Committees received testimony in support of this measure from the University of Hawai'i System; Department of Business, Economic Development, and Tourism; one member of the Hawai'i County Council; Ulupono Initiative; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; 350Hawaii.org; and one individual.

Your Committees find that the State's ambitious clean energy goals, along with advances in energy technology, have created incentives for the adoption of new energy systems technologies and equipment, including distributed electrical systems such as solar panels and energy storage. However, the increase in the adoption of these new energy systems technologies and equipment has placed additional burdens on some county officers and employees. County officers and employees responsible for permitting, inspecting, licensing, and approving projects, including officers and employees at county public works departments, planning and permitting departments, and fire departments, must now remain constantly informed about new technology in the energy sector. This measure ensures that these county officers and employees are provided with the proper training as the State's energy issues become more complex and challenging.

Your Committees have amended this measure by inserting an appropriation amount of \$130,000 for energy systems and technology training for county officers and employees responsible for permitting, inspecting, licensing, and approving construction projects.

Your Committees note the importance of including individuals who are familiar with building codes and representatives of the fire departments on the advisory committee of industry stakeholders established by this measure to ensure that the implementation of new and existing energy systems and technology are in compliance with international, national, state, and county standards and ask that your Committee on Ways and Means consider adding such representatives to the advisory committee should it choose to hear this measure.

As affirmed by the records of votes of the members of your Committees on Higher Education, Transportation and Energy, and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1805, H.D. 1, as amended

herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1805, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education: Ayes, 4. Noes, none. Excused, 1 (Kidani).

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

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

SCRep. 3169 (Joint) Economic Development, Tourism, and Technology and Commerce, Consumer Protection, and Health on H.B. No. 2651

The purpose and intent of this measure is to establish a policy framework to upgrade and support next-generation wireless broadband infrastructure by creating a permitting, application, review, and approval process for broadband or wireless service providers to install broadband or wireless facilities on state-owned and county-owned utility poles.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Transportation; Office of Enterprise Technology Services; CTIA; Verizon Wireless; Maui Hotel and Lodging Association; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; AT&T; Maui Chamber of Commerce; and Hawai'i Lodging and Tourism Association. Your Committees received testimony in opposition to this measure from one member of the Maui County Council, Airport Concessionaries Committee, and one individual. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs; Office of the Mayor, County of Hawaii; Office of the Mayor, City and County of Honolulu; one member of the Maui County Council; Charter Communications; and Hawaiian Telcom.

Your Committees find that wireless broadband services are constantly being upgraded to match the high demand from consumers. Your Committees believe that in order to meet these demands, the State must better prepare itself by updating its wireless networks and facilities to support the updated services. Your Committees find that the State has one of the lowest rankings in broadband network speeds available to consumers and in wireless broadband service availability. Furthermore, while the State may have one of the slowest networks in the nation, there are currently more wireless devices utilizing wireless broadband services than there are people in Hawaii. Your Committees believe that the demand for wireless broadband services will continue to grow and that in order to answer those demands, the State must begin establishing the necessary laws to support updated wireless broadband services.

Your Committees have worked with stakeholders to address some of the concerns of this measure and believe that the collaborative work will bring Hawaii closer to achieving an upgraded wireless network.

Accordingly, your Committees have amended this measure by deleting its contents and replacing them with the language from S.B. No. 2704, S.D. 2, Regular Session of 2018, a substantially similar measure, and further amending it by:

- (1) Replacing references to "wireless service provider" with "communications service provider";
- (2) Updating the purpose section to include information regarding wireline providers;
- (3) Specifying that certain time limits or time constraints shall be counted by calendar days;
- (4) Deleting language that would have exempted state and county poles, related structures, sites, or facilities that support public safety, law enforcement, or emergency communications from this measure and instead requiring that small wireless facilities shall not interfere with public safety, law enforcement, or emergency communications;
- (5) Inserting language requiring any interference identified by the State, county, or a communications service provider to be resolved according to the requirements and procedures of the Federal Communications Commission following written notification of an interference;
- (6) Inserting definitions for "toll" and "feasible design and collocation standards";
- (7) Inserting language that gives the State or county the authority to condition the approval of an encroachment permit upon compliance with pre-established nondiscriminatory feasible design and collocation standards and allows the State or county to require the communications service provider to pay for the electricity used by a small wireless facility and to place an appropriately sized fuse to control the amount of electricity used;
- (8) Inserting language that requires the State and counties to make available in published guidelines any feasible design and collocation standards established and makes the standards apply ninety calendar days after publication;
- (9) Deleting language that would have allowed communications service providers to place, construct, or install utility poles for collocation;
- (10) Requiring a communications service provider to repair damage done by the service provider to the right of way within thirty calendar days and allows the State or county to make repairs and charge the service provider if the damages are not repaired by the service provider within thirty calendar days;
- (11) Deleting language that would have required the State or county to modify laws or ordinances regulating the development of real property to ensure that new development of real property or redevelopment includes locations in the right of way capable of accommodating a utility pole or other structures for the placement of a small wireless facility;
- (12) Clarifying that collocation permits may not discriminate against any class of applicants;
- (13) Increasing the time period within which the State or county must notify the applicant in writing if the application is complete, from ten days to twenty business days after receiving the application;
- (14) Clarifying that an application shall be processed within sixty calendar days from the receipt of the initial application;

- (15) Inserting additional conditions under which the State or county may deny a proposed collocation permit;
- (16) Requiring the State or county to document any basis for a denial of a collocation permit in writing and allows the applicant to resubmit a revised application within ninety calendar days;
- (17) Changing the process for the State or county to approve or deny a revised application;
- (18) Requiring a communications service provider to include a phone number in the published notice of receipt of a permit for a consolidated application;
- (19) Inserting language that allows application fees to recover the reasonable costs of employing temporary contractors or vendors to expedite collocation permit processing;
- (20) Amending the types of expenses that shall be excluded from the application fee;
- (21) Clarifying that the application fee for collocation of small wireless facilities shall not exceed the reasonable cost of the service and shall not be levied for general revenue purposes;
- (22) Deleting language that capped the application fee for collocation of multiple small wireless facilities at \$100 for the first five wireless facilities on the same application and \$50 for each additional facility;
- (23) Clarifying that a reasonable cost-recovery based rate shall not exceed \$40 per pole annually and clarifying that the State or the county shall be responsible for proving that the rate for collocation does not exceed either the reasonable cost-recovery based rate or the actual, direct, and reasonable costs for use of the pole;
- (24) Deleting language that prevented the State or county from requiring a service provider to obtain insurance naming the State or county or its employees as an additional insured;
- (25) Deleting language that capped the total bond amount for communications service providers with multiple small wireless facilities within the jurisdiction of the State or a county at \$10,000;
- (26) Changing its effective date to July 1, 2050; and
- (27) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2651, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2651, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Taniguchi).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Ruderman).

SCRep. 3170 Economic Development, Tourism, and Technology on H.B. No. 2011

The purpose and intent of this measure is to:

- (1) Increase the ceiling on revenues collected by the Special Enforcement Section of the Department of Taxation that may remain in the tax administration special fund from \$700,000 to \$1,000,000; and
- (2) Require that the first \$300,000 of the \$1,000,000 collected be deposited into a separate account to be used for operations of the Special Enforcement Section pertaining exclusively to enforcement of the transient accommodations tax.

Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that the Special Enforcement Section ensures that tax laws are properly enforced throughout the State. The Special Enforcement Section plays a crucial role in ensuring civil enforcement by, among other things, investigating suspected violations of tax laws. Your Committee further finds that in recent years, the transient accommodations industry has expanded rapidly, especially in tourist destinations such as Hawaii. Although technological advancements have improved the lifestyle for many consumers, they have also unknowingly introduced issues with tax compliance. Your Committee believes that the Special Enforcement Section needs to be better equipped to enforce tax laws throughout the State, especially the transient accommodations tax law.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2011, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3171 Economic Development, Tourism, and Technology on H.B. No. 2010

The purpose and intent of this measure is to:

- (1) Forgive the debt owed to the State by the Hawaii Tourism Authority for the Hawaii Convention Center construction costs and related interest;
- (2) Establish the convention center repair and maintenance special fund and convention center emergency special fund and establishes the authorized uses and requirements of the special funds;
- (3) Amend the transient accommodations tax revenue allocation by:

- (A) Inserting an unspecified amount of tax revenue to be allocated to the convention center enterprise special fund;
- (B) Changing the minimum fund balance of the tourism emergency special fund to different amounts annually; and
- (C) Allocating a portion of the transient accommodations tax revenues to the convention center repair and maintenance special fund and convention center emergency special fund.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which deletes the contents of the measure and inserts language that:

- (1) Renames the convention center enterprise special fund as the convention center operations and maintenance special fund;
- (2) Inserts a cap of \$6,000,000 on the convention center operations and maintenance special fund;
- (3) Authorizes the use of the convention center operations and maintenance special fund for salaries for convention center personnel;
- (4) Amends the authorized uses of the tourism special fund and caps expenditures from the fund at:
 - (A) \$2,800,000 for administrative expenses and defines "administrative expenses" to mean office equipment, salaries, and supplies;
 - (B) \$49,200,000 for marketing expenses;
 - (C) \$2,500,000 for research expenses; and
 - (D) \$5,800,000 for sports marketing expenses;
- (5) Amends the allocation of transient accommodations tax revenue by:
 - (A) Deleting the allocation of transient accommodations tax revenue to the convention center enterprise special fund;
 - (B) Reducing the allocation of transient accommodations tax revenue to the tourism special fund from \$82,000,000 to \$60,300,000 and amending allocations of that \$60,300,000;
 - (C) Allocating \$16,500,000 to the Department of Business, Economic Development, and Tourism for other economic development initiatives and programs;
 - (D) Allocating \$3,500,000 to the Department of Education for a grant program for initiatives and programs related to hospitality and tourism industry careers;
 - (E) Allocating \$7,891,000 to the University of Hawaii System for academic programs relating to hospitality and tourism industry career pathways;
 - (F) Allocating \$3,000,000 to University of Hawaii athletics for student athletic travel;
 - (G) Allocating \$9,608,554 to the Department of Land and Natural Resources for support efforts to manage, improve, and protect the State's environment and address the impact of tourism on the State's natural resources;
 - (H) Allocating \$8,000,000 to the counties to be used to ensure the safety of visitors to county parks and beaches; and
 - (I) Allocating \$8,000,000 to be expended on grants pursuant to chapter 42F, Hawaii Revised Statutes, for Hawaiian cultural initiatives, community programs, product development, and tourism related grants;
- (6) Makes conforming amendments; and
- (7) Authorizes the Department of Budget and Finance to cancel the reimbursable general obligation bond debt relating to the Convention Center that is owed by the Hawaii Tourism Authority.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Land and Natural Resources and Hawaii Advocates for Consumer Rights. Your Committee received testimony in opposition to the proposed S.D. 1 from the Hawai'i Tourism Authority, Japan Hawaii Travel Association, 'Ohina Short Film Showcase, Hawaii Forest Industry Association, Hawaii Forest and Trail, and one individual. Your Committee received comments on the proposed S.D. 1 from the Department of Business, Economic Development, and Tourism; University of Hawai'i System, and Tax Foundation of Hawaii.

Your Committee finds that the existing allocation of revenue from the transient accommodations tax should be amended to address the specific needs of agencies that work with, or are impacted by, the tourism industry, which will better ensure that those specific needs are properly addressed in a timely manner. Your Committee finds that rather than requiring one agency to address the impacts of tourism on state infrastructure and natural resources, allocating the funds directly to those with proper expertise will allow for a more efficient and effective remedy to specific issues that have arisen due to the large number of visitors to the State.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending it by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2010, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2010, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Thielen). Noes, none. Excused, 1 (Galuteria).

SCRep. 3172 Economic Development, Tourism, and Technology on H.B. No. 2008

The purpose and intent of this measure is to:

- (1) Require each travel agency or tour packager entering into an arrangement to furnish transient accommodations at noncommissioned negotiated contract rates to register with the Director of Taxation;
- (2) Require the travel agency or tour packager to make a one-time payment of \$15 for each registration; and
- (3) Impose the transient accommodations tax on travel agencies and tour packagers on the travel agencies' or tour packagers' share of the proceeds arising from furnishing transient accommodations through arrangements at noncommissionable negotiated contract rates.

Your Committee received testimony in support of this measure from the Department of Taxation and one individual. Your Committee received testimony in opposition to this measure from the Travel Technology Association; Independent Lodging Industry Association; NetChoice; and Expedia, Inc.

Your Committee finds that under existing law, the application of the transient accommodations tax varies depending on whether a transaction was made at a commissioned or noncommissioned rate. According to testimony submitted by the Department of Taxation, when transient accommodations are furnished through arrangements made by a travel agency or tour packager at noncommissioned negotiated contract rates, the transient accommodations tax is only imposed on the operator on its share of proceeds, and there is no tax imposed on the travel agency's or tour packager's share of proceeds.

Your Committee believes that the transient accommodations tax should be imposed fairly on all parties involved in the transaction, regardless of whether the transient accommodations are furnished through arrangements at commissionable or noncommissionable rates.

Your Committee has amended this measure by:

- (1) As suggested by the Department of Taxation:
 - (A) Clarifying that the registration fee is a one-time fee that applies to each travel agency or tour packager, and that it is not a fee that is assessed per transient accommodation; and
 - (B) Clarifying that the imposition of the transient accommodations tax applies to all operators, regardless of whether there is a direct sale, commissioned sale, or noncommissioned sale, and all travel agencies and tour packagers who arrange transient accommodations at noncommissionable negotiated contract rates;
- (2) Inserting an effective date of January 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2008, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2008, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3173 (Joint) Labor and Commerce, Consumer Protection, and Health on H.B. No. 2375

The purpose and intent of this measure is to make housekeeping amendments to update statutory provisions relating to temporary disability insurance. Specifically, this measure:

- (1) Permits advanced practice registered nurses to certify an employee's disability;
- (2) Increases the penalty for employers who fail to submit timely wage and employment information;
- (3) Permits filing of an appeal of a decision on temporary disability insurance at the various statewide offices of the Department of Labor and Industrial Relations (Department);
- (4) Allows the Department to send notices of hearings electronically or via first-class mail;
- (5) Permits notice of a hearing to be posted on the Department's webpage when notice cannot be delivered; and
- (6) Allows parties to a hearing to appear in person, by telephone, or by other communication device.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations, Hawai'i State Center for Nursing, and five individuals.

Your Committees find that this housekeeping measure will update current processes and improve the efficiency of the temporary disability insurance program. Notably, this measure will allow advanced practice registered nurses to certify employee disabilities thereby giving employees additional provider choices, especially employees residing in rural areas; increase the penalty for employers who fail to submit timely wage and employment information from \$10 to \$250 per request to encourage employers to provide prompt information, thus allowing employees to receive prompt benefit payments; allow the Department to hold hearings in locations other than the county office where the employee was employed or resided at the time of the disability, enabling hearings to be held for employees who may be permanently or temporarily living in another county for medical treatment or other reasons; and allow the Department to hold hearings not only in person but also via telephone or by other communication devices to accommodate parties that are not located on the same island and reduce travel time and costs for the parties.

Your Committees have amended this measure by:

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

As affirmed by the records of votes of the members of your Committees on Labor and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2375, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2375, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Labor: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3174 Housing on H.B. No. 2746

The purpose and intent of this measure is to:

- (1) Clarify the duties of the Special Action Team on Affordable Rental Housing and add additional members to the Special Action Team for the purpose of addressing issues related to extremely low-income household needs; and
- (2) Appropriate funds for the administration and operation of the Special Action Team on Affordable Rental Housing.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Office of Planning, Catholic Charities Hawaii, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that Act 127, Session Laws of Hawaii 2016, established a temporary Special Action Team on Affordable Rental Housing to make short- and long-term policy recommendations to increase the supply of rental housing. One of the income groups the special action team focuses on is the extremely low-income population, which consists of families with incomes at or below thirty percent of the area median income. Of the nearly 57,500 affordable housing units needed across all income levels, fifteen thousand five hundred units are needed by extremely low-income households. Extremely low-income households, therefore, account for almost twenty-seven percent of the total need for affordable housing. This measure further defines the focus for the Special Action Team in order to develop long- and short-term strategies for developing housing for extremely low-income households.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2746, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2746, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Harimoto, Kahele).

SCRep. 3175 (Joint) Housing and Human Services on H.B. No. 2747

The purpose and intent of this measure is to bifurcate and amend the law relating to individual housing accounts under section 235-5.5, Hawaii Revised Statutes, by:

- (1) Changing the annual contribution and deduction amounts, aggregate contribution amount, and deadline for distributing the entire interest for individual housing accounts established after December 31, 2018;
- (2) Allowing community development financial institutions to serve as trustees of individual housing accounts established after December 31, 2018; and
- (3) Requiring homebuyer education conducted by a housing counseling agency approved by the United States Department of Housing and Urban Development as a condition of distribution of funds in individual housing accounts by trustees.

Your Committees received testimony in support of this measure from the Hawai'i Association of REALTORS and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from the Department of Taxation and Hawaii Credit Union League.

Your Committees find that individual housing accounts are savings vehicles that assist individuals in purchasing their first principal residence. Contributions to individual housing accounts are deductible, and distributions are taxed to the recipient. Contributions are limited by the annual limitation and by the aggregate limitation. This measure is intended to increase the contribution limits for individual housing accounts to reflect the current higher cost of housing, in order to enable more individuals to become homeowners.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2747, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2747, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Kahele).

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

SCRep. 3176 Housing on H.B. No. 2009

The purpose and intent of this measure is to clarify the property types that may be furnished as transient accommodations and subject to the transient accommodations tax.

Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Department of Taxation, Office of Hawaiian Affairs, and Tax Foundation of Hawaii.

Your Committee finds that this measure provides further clarity on the property types that may be used as transient accommodations. However, your Committee notes the concerns raised in written testimony by the Tax Foundation of Hawaii that repealing the word “regularly” from the definitions of “lease”, “let”, or “rental” and “transient accommodations” may be problematic because the transient accommodations tax is designed to be a business privilege tax, and removal of the word “regularly” may cause an isolated instance of letting out a spare room or vacation home to trigger tax liability even though the taxpayer is not running a business.

Accordingly, your Committee has amended this measure by:

- (1) Reinstating the word “regularly”, as appropriate, under the definitions of “lease”, “let”, or “rental” and “transient accommodations”;
- (2) Clarifying that an accessory dwelling is a dwelling within an accessory dwelling unit; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2009, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2009, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Harimoto, Kahele).

SCRep. 3177 (Joint) Housing and Human Services on H.B. No. 2281

The purpose and intent of this measure is to:

- (1) Establish within the Department of Human Services an ohana zones program to provide housing to homeless individuals and families based on principles similar to the housing first program, and appropriate funds for establishment of the program;
- (2) Appropriate funds to the Hawaii Public Housing Authority for:
 - (A) Providing public housing improvements and renovations statewide; and
 - (B) Administering a state rent supplement pilot program to assist one hundred homeless families with minor children or families with minor children at imminent risk of homelessness due to domestic violence in obtaining and maintaining permanent housing by providing time-limited rental assistance and financial case management services;
- (3) Appropriate funds to the Department of Human Services for:
 - (A) Administering the housing first programs for chronically homeless individuals in the State;
 - (B) Administering the rapid rehousing program to assist homeless individuals or families in obtaining or maintaining permanent housing or to cover housing stabilization services and administrative costs;
 - (C) Providing outreach services to homeless persons, including funds for civil legal services; and
 - (D) Administering Oahu’s family assessment center for homeless families; and
- (4) Appropriate funds to the Department of Health for administering outreach, counseling, and diversion services for unsheltered homeless persons experiencing substance abuse, including funds to continue the law enforcement assisted diversion pilot program.

Your Committees received testimony in support of this measure from the Governor’s Coordinator on Homelessness, Department of Land and Natural Resources, Mayor’s Office of the County of Hawai’i, Aloha United Way, The Queen’s Health Systems, Community Alliance on Prisons, Pele Lani Farm LLC, IMUAlliance, Hawaii Kai Homeless Task Force, O’ahu County Committee on Legislative Priorities of the Democratic Party of Hawai’i, and one individual. Your Committees received comments on this measure from the Department of Health, Department of Human Services, Hawaii Public Housing Authority, and Catholic Charities Hawai’i.

Your Committees find that homelessness is one of the most pressing problems in Hawaii, and a robust, comprehensive solution is needed to increase the pace at which the State is gaining ground on addressing homelessness. For the first time in years, the homelessness rate in Hawaii went down in 2017. Hawaii is turning the tide on the homelessness crisis by investing in proven programs like housing first and rapid rehousing. The network of people and resources engaged in addressing homelessness has begun to make more efficient use of available resources by implementing a data-driven, collaborative process that matches those experiencing homelessness with the services they need to make more efficient use of available resources. However, Hawaii continues to have the highest per capita rate of homelessness of any state in the United States, with an estimated 7,220 people living on the streets and in shelters.

Accordingly, your Committees further find that the State must increase the investment in and commitment to the solution. This measure continues to address the State’s homeless crisis by providing a multi-faceted approach using proven interventions that are targeted to the particular characteristics of the population being served and that address the root causes of homelessness.

Your Committees have amended this measure by:

- (1) Adding language that requires dwelling spaces secured under the ohana zones program to cost no more than \$15,000 and requires no less than fifty percent of the materials and supplies for the dwelling spaces to be purchased in-state if the dwelling spaces are newly constructed or substantially rehabilitated;
- (2) Adopting language suggested by Catholic Charities Hawai'i that changes the name of the three-year pilot project to be administered by the Hawaii Public Housing Authority from the state rent supplement pilot program to the housing homeless children pilot program;
- (3) Adopting language suggested by The Queen's Health Systems that:
 - (A) Establishes and appropriates funds for an emergency department homelessness assessment pilot program under the Department of Health to:
 - (i) Place social workers or social worker designees, who are employed by a participating hospital, in the participating hospital's emergency department to identify patients experiencing homelessness or patients at risk of experiencing homelessness;
 - (ii) Assess the patient's current circumstances; and
 - (iii) Refer those patients to appropriate and available social services with the goal of reducing costs associated with chronic use of hospital emergency departments; and
 - (B) Establishes and appropriates funds for a medical respite pilot program under the Department of Health to provide emergency housing for eligible individuals experiencing homelessness discharged from the participating hospital, including but not limited to meals, case management, medical, nursing, and psychiatric care; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2281, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2281, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair and President on behalf of the Committees.
 Housing: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Kahele).
 Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

SCRep. 3178 Education on H.B. No. 2164

The purpose and intent of this measure is to appropriate funds to the Department of Education for school-level funding.

Your Committee received testimony in support of this measure from the Department of Education, State Public Charter School Commission, Hawaii State Teachers Association, IMUAlliance, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Maui Hotel and Lodging Association, and Hawai'i Lodging and Tourism Association.

Your Committee finds that Hawaii's public schools are severely underfunded. At \$12,855 per child, Hawaii trails mainland school districts of similar size when adjusting for cost of living. This lack of adequate funding has resulted in an inability to repair and renovate deteriorating facilities, higher class sizes, a lack of adequate classroom supplies, elimination of arts and career and technical education courses, budget cuts for special education and English language learner programs, and an increasing number of vacant teacher positions statewide. This measure will provide much needed funding for the State's public schools and bring Hawaii's education funding policy closer to other school districts of similar size.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2164, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
 Ayes, 4. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 3179 Transportation and Energy on H.B. No. 2274

The purpose and intent of this measure is to increase the availability of charging facilities for electric vehicle in the State by:

- (1) Increasing the number of parking stalls that must have electric vehicle supply equipment at large parking facilities and allowing the Director of Transportation to fine properties not in compliance with the requirements; and
- (2) Establishing a working group to examine issues regarding the installation of electric vehicle supply equipment in multiple unit dwellings and planned communities, including ways to increase parking spaces with electric vehicle supply equipment without relying on funding from ratepayers or other tax revenues.

Your Committee received testimony in support of this measure from the Department of Transportation; Hawaiian Electric Company, Inc.; Pulama Lāna'i; Ulupono Initiative; Tesla; Organizing for Action; Blue Planet Foundation; 350Hawaii.org; 350.org; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; FreeWire Technologies; and fifteen individuals. Your Committee received testimony in opposition to this measure from the Chamber of Commerce Hawai'i, Retail Merchants of Hawai'i, Building Industry Association of Hawai'i, Hawai'i Credit Union League, and Building Owners and Managers Association of Hawai'i. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism; Stadium Authority; and City and County of Honolulu Department of Transportation Services.

Your Committee finds that the State is promoting the use of electric motor vehicles in an effort to achieve its goals of clean energy by 2045. However, increasing the number of electric vehicles in the State will necessitate more facilities for drivers to charge their electric vehicles. Thus, this measure requires parking facilities to gradually increase the number of electric vehicle supply equipment provided at parking facilities by creating a ratio of electric vehicle supply equipment per hundred parking stalls that a parking facility must provide, and establishes a fine for noncompliance.

Your Committee heard concerns from numerous testifiers about the affordability of increasing the number of electric vehicle supply equipment in parking facilities as required by this measure. In particular, the Stadium Authority noted that the limited use of the Aloha Stadium parking lot might not justify meeting this measure's requirements.

Additionally, your Committee received testimony from the Department of Business, Economic Development, and Tourism noting that a working group with similar membership and responsibilities was previously established by Act 164, Session Laws of Hawaii 2015, and the working group established in this measure would likely replicate the findings from the 2015 working group. However, your Committee finds that testimony provided on this measure has raised additional concerns related to electric vehicle supply equipment at parking facilities, as well as electric vehicle charging capacity in the State.

Accordingly, your Committee has amended this measure by:

- (1) Amending the requirements relating to the number of parking spaces required to have electric vehicle supply equipment at large parking facilities to be applicable only to facilities built after 2016;
- (2) Focusing the scope of the working group's study to:
 - (A) Collaborate with the City and County of Honolulu to explore mobile charging infrastructure technology; and
 - (B) Examine the feasibility of increasing the number of electric vehicle charging stations at Aloha Stadium; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2274, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2274, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3180 (Joint) Economic Development, Tourism, and Technology and Labor on H.B. No. 1962

The purpose and intent of this measure is to:

- (1) Require the Department of Business, Economic Development, and Tourism to conduct an economic development study on opportunities for automated manufacturing in the State and submit a report to the Legislature; and
- (2) Appropriate funds to conduct the economic development study.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that Hawaii imports over ninety percent of the products that the State consumes. Your Committees find more merit and benefit in supporting local manufacturers to supply the products that residents of Hawaii demand. Your Committees recognize that due to the remoteness of Hawaii's location, Hawaii consumers and businesses face an additional challenge of high shipping costs and other financial challenges. Your Committees believe that supporting local manufacturers has the potential to enhance the economy of the State, while providing residents with products at reasonable prices. Your Committees further believe that automating manufacturing can assist a number of Hawaii businesses by speeding up production.

Your Committees note that the Department of Business, Economic Development, and Tourism requested \$150,000 in order to conduct the economic development study on automated manufacturing opportunities in Hawaii.

Accordingly, your Committees have amended this measure by:

- (1) Inserting an appropriation amount of \$150,000 to conduct the study; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1962, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1962, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Taniguchi).
Labor: Ayes, 3. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3181 (Joint) Economic Development, Tourism, and Technology and Human Services on H.B. No. 2012

The purpose and intent of this measure is to allocate transient accommodations tax revenue to implement initiatives, in conjunction with the Hawaii Lodging and Tourism Association, to address homelessness in tourist and resort areas and require matching funds from the private sector.

Your Committees received testimony in support of this measure from the Governor's Coordinator on Homelessness, IMU Alliance, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Kohala Coast Resort Association, Hawai'i Lodging and Tourism Association, Maui Hotel and Lodging Association, and one individual. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Hawaii Tourism Authority and Tax Foundation of Hawaii.

Your Committees find that homelessness remains one of the most pressing issues of the State. While your Committees acknowledge that the number of homeless persons decreased nine percent from 2016 to 2017, your Committees believe there is still much that needs to be done to create a better living environment for everyone. The tourism industry is one of the economic drivers of the State and has the necessary resources to support the effort to reduce homelessness across the State. Your Committees believe that tourist and resort areas, such as Waikiki, see some of the largest homeless populations. Your Committees find that a portion of the homeless community in Waikiki, and throughout the State, is represented by those under the age of eighteen. Your Committees note that most shelters are not allowed to take in minors without prior consent of their parent or guardian. This prohibition may deprive minors who have abusive households of a safe environment and may be one cause of the number of minors who congregate in areas like Waikiki. Your Committees find that there is a need to examine the gaps in services available to homeless youth and provide them with the same access and quality of care that is provided to the adult homeless community.

Your Committees believe that addressing tourist and resort areas that are affected by homelessness will not only assist the homeless community by providing them with improved living situations, but will simultaneously improve areas that are frequently visited by tourists, thereby improving the overall quality of state infrastructure and natural resources and perception by visitors.

Your Committees have amended this measure by:

- (1) As suggested by the Governor's Coordinator on Homelessness:
 - (A) Allowing each county to designate a tourist and resort area in the respective county;
 - (B) Requiring that the funds allocated to the Hawaii Tourism Authority to implement initiatives be used for the purpose of providing social services; and
 - (C) Requiring that the data collected from the initiatives to address homelessness in tourist and resorts areas and included within the Hawaii Tourism Authority's report to the Legislature be entered into the Homeless Management Information System to evaluate the effectiveness of the initiatives in addressing homelessness; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2012, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2012, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair and President on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

SCRep. 3182 (Joint) Economic Development, Tourism, and Technology and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2605

The purpose and intent of this measure is to:

- (1) Provide that a county shall be eligible to receive an unspecified amount from the State to enforce all applicable laws and ordinances relating to transient accommodations; provided that no funds shall be released to a county unless it has complied with certain conditions;
- (2) Make an appropriation out of the transient accommodations tax revenue to the counties to enforce all applicable laws and ordinances relating to transient accommodations and short-term vacation rentals; provided that no county shall receive more than an unspecified amount; and
- (3) Require a report from the counties receiving funds for enforcement of laws and ordinances relating to transient accommodations and short-term vacation rentals.

Prior to the hearing on this measure, your Committees posted and made available for public review a proposed S.D. 1, which deletes the contents of the measure and inserts language that:

- (1) Establishes a one-time amnesty program for certain delinquent transient accommodations and general excise tax obligations;
- (2) Allows transient accommodations brokers to register as tax collection agents on behalf of their operators and plan managers;
- (3) Requires operators and plan managers to provide a statement to the transient accommodations broker confirming compliance with all applicable land use and tax laws;
- (4) Requires an operator or plan manager to provide verification of compliance with state and county land use laws;
- (5) Requires an operator or plan manager to remove a transient accommodation advertisement upon notice that the property is not in compliance;
- (6) Makes it unlawful for transient accommodations brokers to engage in business with operators or plan managers that are not in compliance with all state laws and county ordinances;

- (7) Provides that a violation of a county zoning ordinance adopted under section 46-4, Hawaii Revised Statutes, may additionally prescribe a penalty of a class C felony;
- (8) Authorizes counties to disgorge profits obtained through unfair or unlawful business practices;
- (9) Authorizes counties to adopt ordinances to amortize or phase out transient vacation rental units;
- (10) Imposes a civil fine ranging from \$25,000 to \$100,000 on operators or plan managers who fail to remove an advertisement for a transient accommodation after receiving notice that the subject property is not in compliance with state law or county ordinance;
- (11) Requires the counties to adopt ordinances prohibiting transient accommodations brokers from engaging in business with operators or plan managers who are not in compliance with all state laws and county ordinances;
- (12) Requires the Director of Taxation to make available, by January 1, 2019, a form for transient accommodations brokers to apply for registration as a tax collection agent;
- (13) Allocates an unspecified percentage of general excise tax and transient accommodations tax revenues to the counties, depending on the establishment of a process to provide verification of compliance by an operator or plan manager with county land use ordinances;
- (14) Makes it unlawful for a hosting platform to provide, or collect a fee for, booking services regarding transient vacation rentals that are not lawfully certified, registered, or permitted under applicable county ordinance; and
- (15) Makes the measure effective upon approval.

Your Committees received testimony in support of the proposed S.D. 1 from the Office of the Governor; Department of Taxation; Office of Hawaiian Affairs; Department of Planning and Permitting, City and County of Honolulu; Planning Department, County of Kauai; Hawai'i Lodging and Tourism Association; American Hotel and Lodging Association; UNITED HERE Local 5; Hilton Hawaii; Kohala Coast Resort Association; Westin Princeville Ocean Resort Villas; Hawaii Advocates for Consumer Rights; ILWU Local 142; Napili Kai Beach Resort; one member of the Hawaii County Council; one member of the Maui County Council; and nine individuals. Your Committees received testimony in opposition to the proposed S.D. 1 from Airbnb; Kobayashi Sugita and Goda; Expedia, Inc.; Coalition for Equal Taxation; Hawaii Life Real Estate Brokers; Rental by Owner Awareness Association; NetChoice; Oahu Alternative Lodging Association; and forty-one individuals. Your Committees received comments on the proposed S.D. 1 from the Department of the Attorney General; Hawaii Tourism Authority; Office of the Mayor, County of Hawai'i; Tax Foundation of Hawaii; Hawai'i Association of REALTORS; Keep it Kailua; and Kuilima Estates East.

Your Committees note that the proposed S.D. 1 is substantially similar to S.B. No. 2963, S.D. 1, which was previously passed by the Senate and differs from the proposed S.D. 1 by, among other things:

- (1) Making various amendments to the tax amnesty program;
- (2) Requiring transient accommodation brokers who want to register as tax collection agents to agree in writing that continuing to collect fees for booking services for seven days after receiving notice that the property is not in compliance with state or county law is a violation of the tax collection agreement;
- (3) Reducing the offense for transient accommodations brokers who engage in business with operators or plan managers that are not in compliance with state laws and county ordinances from a class C felony to a misdemeanor, punishable by a minimum fine of \$25,000;
- (4) Allowing the counties to penalize a violation of a county transient accommodations ordinance with a minimum civil penalty of \$25,000, rather than a class C felony for a violation of a county zoning ordinance;
- (5) Amending the penalty for operators or plan managers who fail to remove an advertisement of a noncompliant transient accommodation to a minimum \$25,000 fine;
- (6) Deleting the date by which the Director of Taxation must make a form available to apply for registration as a tax collection agent;
- (7) Changing the allocation to the counties from an unspecified percentage of general excise tax and transient accommodations tax revenues to a maximum of \$1,000,000 in transient accommodations tax revenues per county for implementation or enforcement of county land use ordinances; and
- (8) Clarifying that the penalty for hosting platforms that provide, or collect a fee for, booking services from transient vacation rentals that are not lawfully certified, registered, or permitted under applicable county ordinance is a misdemeanor, punishable by a minimum fine of \$25,000.

Your Committees find that S.B. No. 2963, S.D. 1, better reflects the intent of your Committees to establish a means to collect revenue due to the State and better ensure that operators or plan managers of transient accommodations are complying with state laws and county ordinances. Your Committees find that given the prominence of transient accommodations in Hawaii, more effort needs to be put toward strengthening county enforcement of laws and ordinances relating to transient accommodations.

Your Committees recognize that the Department of Taxation already has a voluntary disclosure program that allows taxpayers to voluntarily disclose tax liabilities. Therefore, your Committees find that establishing another tax amnesty program may be redundant and is unnecessary.

Your Committees further find that the Department of the Attorney General proposed amendments to change the placement in the Hawaii Revised Statutes of the language making it unlawful for transient accommodations brokers to engage in business with operators or plan managers who are noncompliant with state laws or county ordinances and language making it unlawful for hosting platforms to

provide, and collect a fee for, booking services in connection with transient vacation rentals that are not lawfully certified, registered, or permitted. According to the Department of the Attorney General, the proposed amendments would make those provisions be enforced by the county, rather than other agencies; more closely resemble industry regulation, rather than consumer protection regulation; and avoid the unintentional application of the unfair or deceptive acts or practices law.

Accordingly, your Committees have amended this measure by deleting its content and replacing it with language from S.B. No. 2963, S.D. 1, and further amending it by:

- (1) Deleting part I, which would have established a one-time tax amnesty program;
- (2) As suggested by the Department of the Attorney General, changing the placement of the prohibitions on transient accommodations brokers and hosting platforms from transacting with noncompliant operators, plan managers, or transient vacation rentals and making further clarifying amendments;
- (3) Giving the counties more discretion in establishing ordinances and penalties by replacing the word “shall” with “may” in certain sections; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2605, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2605, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 3183 Labor on H.B. No. 1489

The purpose and intent of this measure is to prohibit a state agency or program or activity receiving state financial assistance from excluding from participation, denying benefits to, or discriminating against a qualified individual because of sex, including gender identity or expression, or by reason of the qualified individual’s disability or sexual orientation.

Your Committee received testimony in support of this measure from the Commission on the Status of Women, LGBT Caucus of the Democratic Party of Hawaii, Planned Parenthood Votes Northwest and Hawaii, Hawaii LGBT Legal Association, Filipina Advocacy Network, Community Alliance on Prisons, Hawai’i State Democratic Women’s Caucus, Hawaii Women’s Coalition, IMUAlliance, American Association of University Women Hawaii, Hawai’i Women Lawyers, The Sex Abuse Treatment Center, O’ahu County Committee on Legislative Priorities of the Democratic Party of Hawai’i, American Civil Liberties Union of Hawai’i, and one individual. Your Committee received comments on this measure from the Hawai’i Civil Rights Commission and one individual.

Your Committee finds that a state corollary to the Patsy Takemoto Mink Equal Opportunity in Education Act (Title IX) is critically needed in light of the current federal administration’s effort to dismantle federal anti-discrimination laws. The University of Hawai’i’s recent Climate Survey Report further highlights this need as it revealed the persistence of sex discrimination, including sexual harassment and violence, on college campuses. Additionally troubling is the fact that the Department of Education is only beginning to move toward meaningful compliance with Title IX. Your Committee believes that no individual should be discriminated against on the basis of sex, gender identity or expression, or sexual orientation in any educational program or activity.

Your Committee further finds that H.B. No. 2139, H.D.1, Regular Session of 2018, amends chapter 368, Hawaii Revised Statutes, by adding a new section prohibiting discrimination on the basis of sex, including gender identity or gender expression, and sexual orientation in state educational programs and activities, or in any educational program or activity that receives state financial assistance is a better vehicle for a true and effective state corollary to Title IX.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and replacing it with the contents of H.B. 2139, H.D. 1 (Regular Session of 2018), which:
 - (A) Prohibits discrimination on the basis of sex, including gender identity or expression, or sexual orientation, in any state educational program or activity, or in any educational program or activity that receives state financial assistance; and
 - (B) Provides that any student of a state educational program or activity, or an educational program or activity that receives state financial assistance, may bring a civil action for sexual harassment or sexual assault and infliction of emotional distress or invasion of privacy;
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency; and
- (3) Inserting an effective date of July 1, 2019.

Your Committee requests that your Committee on Judiciary and your Committee on Ways and Means consider creating a mechanism by which the Legislature can follow up on compliance with and enforcement of this measure, should this measure continue in the legislative process.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1489, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1489, H.D. 1, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Taniguchi). Noes, none. Excused, none.

SCRep. 3184 Water and Land on H.B. No. 2044

The purpose and intent of this measure is to:

- (1) Appropriate funds to the Department of Land and Natural Resources to employ four full-time equivalent (4.0 FTE) permanent lifeguards at Kua Bay in the Kekaha Kai State Park on the island of Hawaii; and
- (2) Appropriate funds to the Department of Land and Natural Resources to purchase certain equipment to be used by state lifeguards in the course of their work at Kua Bay.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Office of the Mayor, County of Hawai'i; two members of the Hawai'i County Council; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Kohala Coast Resort Association; Daniel Robert Sayre Memorial Foundation; and four individuals.

Your Committee finds that the location of Manini'ōwali Beach at Kua Bay in the Kekaha Kai State Park between Kona and the resorts of Kohala Coast and the improvements made to the state park have led to an increase in visits by locals and tourists, thereby making Manini'ōwali Beach at Kua Bay one of the most popular beaches in the State. The increase in visitation has been accompanied by an increase in dangerous incidents, injuries, and deaths. Although Manini'ōwali Beach at Kua Bay is under the jurisdiction of the Department of Land and Natural Resources, the State does not employ its own ocean safety officers at Manini'ōwali Beach. By appropriating funds for the employment of four ocean safety officers and necessary equipment, this measure will assist in preventing injuries and deaths and ensure visitor safety at Manini'ōwali Beach.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Hawaii Government Employees Association that replaces the term "lifeguard" with "ocean safety officer" and making conforming amendments;
- (2) Clarifying that Kua Bay is in the Kekaha Kai State Park and specifying that Manini'ōwali Beach is at Kua Bay;
- (3) Inserting an appropriation amount of \$340,355 for the Department of Land and Natural Resources to establish four full-time equivalent permanent ocean safety officers for Manini'ōwali Beach at Kua Bay in the Kekaha Kai State Park, and clarifying that the County of Hawaii is required to hire and provide benefits for the four permanent ocean safety officers;
- (4) Inserting an appropriation amount of \$80,000 for the purchase of certain equipment to be used by state ocean safety officers in the course of their work at Manini'ōwali Beach at Kua Bay, and specifying amounts for certain equipment;
- (5) Changing the effective date to July 1, 2018; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2044, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2044, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3185 Water and Land on H.B. No. 2380

The purpose and intent of this measure is to:

- (1) Require the Board of Land and Natural Resources to obtain prior authorization from the Legislature by concurrent resolution in order to lease any fast lands and submerged lands within any existing state boating facility by public auction, request for proposals, or direct negotiation; and
- (2) Repeal fast lands and submerged lands lease requirements specific to Ala Wai Boat Harbor.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by inserting language that:

- (1) Requires the Board of Land and Natural Resources to make a finding regarding certain sea level rise factors as a condition of approval to lease fast lands and submerged lands within any existing state boating facility by public auction, request for proposals, or direct negotiation;
- (2) Allows for legislative authorization of leases that do not satisfy the finding regarding sea level rise factors when the Board of Land and Natural Resources demonstrates that extraordinary circumstances necessitate the lease; and
- (3) Changes the effective date to upon its approval.

Your Committee received testimony in opposition to the proposed S.D. 1 from the Department of Land and Natural Resources, Ocean Tourism Coalition, and two individuals.

Your Committee finds that existing law authorizes the Board of Land and Natural Resources to lease fast lands and submerged lands within an existing state boating facility by public auction, a request for proposals, or direct negotiation for private development, management, and operation. However, any lease of fast lands or submerged lands pursuant to a request for proposals is subject to section 200-2.6, Hawaii Revised Statutes (HRS), regardless of the state boating facility to which the fast or submerged lands are attached. Section 200-2.6, HRS, only applies to leases of the Ala Wai Boat Harbor and thus, this proposed S.D. 1 addresses this ambiguous reference by repealing fast lands and submerged lands lease requirements specific to Ala Wai Boat Harbor.

Your Committee notes the written testimony in opposition to the proposed S.D. 1 submitted by the Department of Land and Natural Resources, which indicates that requiring the Board of Land and Natural Resources to obtain prior authorization from the Legislature by concurrent resolution in order to lease any fast lands or submerged lands within any existing state boating facility would severely hinder efforts that are an integral part of the revenue generation for the boating special fund. Many of the existing leases are scheduled to expire while the Legislature is not in session, and the Department is currently considering transitioning its thirty-eight revocable permits into long-term leases. Thus, waiting for prior legislative authorization will result in properties remaining vacant and disruptions to the revenue stream from lease rents that are used to support facilities and operations.

Your Committee further finds that in December 2017, the Hawaii Climate Change Mitigation and Adaptation Commission accepted the Hawaii Sea Level Rise Vulnerability and Adaptation Report (SLR Report). The first recommendation of the SLR Report is to “[r]ecognize the SLR-XA (Sea Level Rise Vulnerability Area) as a statewide vulnerability zone.” The SLR-XA demonstrates the extent of the potential exposure of land and structures to flooding and erosion with an increase of 0.5, 1.1, 2.0, and 3.2 feet of sea level rise throughout the State. Thus, the proposed S.D. 1 recognizes and addresses the risks of sea level rise by requiring the Board of Land and Natural Resources to make a finding regarding certain sea level rise factors, with an exception to allow legislative authorization for extraordinary circumstances, prior to leasing any fast lands and submerged lands within any existing state boating harbor.

While obtaining prior legislative authorization for all leases of fast lands and submerged lands within any existing state boating facility may hinder the Department of Land and Natural Resources’ revenue stream, your Committee asserts that sea level rise poses a substantial threat to the Department’s revenue stream and operations. However, your Committee notes that the term “minimal”, as used in the proposed S.D. 1 regarding the effect of sea level rise on the land to be leased, may be subjective and may not be the most appropriate mechanism to trigger the Legislature’s involvement. Your Committee believes that this issue merits further discussion as this measure moves through the legislative process.

Your Committee further notes that the Department of Land and Natural Resources is currently under negotiations to renew the lease for Ala Wai Boat Harbor. You Committee urges the Board of Land and Natural Resources to take into account the risks of sea level rise as part of the lease negotiations.

Accordingly, your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by removing language that would have required the Board of Land and Natural Resources to obtain prior authorization from the Legislature by concurrent resolution in order to lease any fast lands and submerged lands within any existing state boating facility by public auction, request for proposals, or direct negotiation.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2380, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2380, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Gabbard, Inouye).

SCRep. 3186 Water and Land on H.B. No. 2592

The purpose and intent of this measure is to establish a working group within the Department of the Attorney General to assess the viability and constitutionality of using tax increment financing at the county level as a means of incentivizing water-related infrastructure projects and other projects to protect water resources in the State.

Your Committee received testimony in support of this measure from the O’ahu County Committee on Legislative Priorities of the Democratic Party of Hawai’i, Ulupono Initiative, and one individual. Your Committee received comments on this measure from the Department of Land and Natural Resources, Department of Health, and Department of Budget and Fiscal Services of the City and County of Honolulu.

Your Committee finds that Hawaii’s surrounding ocean waters, streams, groundwater, watersheds, and other sources of fresh water are vulnerable to pollution and contamination from cesspools, which discharge raw, untreated sewage into the ground, and nonpoint source pollution that flows off the land directly into the ocean. Your Committee further finds that in other jurisdictions, tax increment financing is an established means to finance infrastructure projects. However, in Hawaii, questions regarding whether the counties are constitutionally authorized to implement tax increment financing to fund projects have arisen, and whether tax increment financing would generate sufficient revenue to fund significant capital improvement projects. The working group established in this measure will address these issues.

Your Committee has amended this measure by:

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

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2592, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2592, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Inouye, Thielen).

SCRep. 3187 Water and Land on H.B. No. 2596

The purpose and intent of this measure is to:

- (1) Require certain vessel owners to apply for a certificate of title within twenty days of becoming an owner or within twenty days of establishing principal use of the vessel in waters of the State; and

- (2) Establish what information is required to be included in an application for a certificate of title; how to deal with transfer of vessel ownership and title; rights of a secured party; and rights of a purchaser other than a secured party.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Commission to Promote Uniform Legislation, and one individual. Your Committee received comments on this measure from the Office of Information Practices and The Civil Beat Law Center for the Public Trust.

Your Committee finds that vessels under the jurisdiction of the Department of Land and Natural Resources that do not have a United States Coast Guard documentation number are only required to obtain a certificate of number with the Department's Division of Boating and Ocean Resources' Vessel Registration Office. However, this certificate of number does not ensure that a vessel is not stolen because the Vessel Registration Office cannot verify ownership of a vessel other than by documents provided by the registrant. Thus, the absence of a vessel titling law can lead to extensive fraud. By codifying the Uniform Certificate of Title for Vessels Act, this measure will reduce the number of stolen vessels being fraudulently registered with the State and help the Vessel Registration Office quickly verify the owner of a vessel, which in turn will potentially decrease the processing of and wait times for vessel transfers.

Your Committee has amended this measure by:

- (1) Removing the definitions of "conspicuous" and "representative" as these terms are not used in the measure;
- (2) Adopting the language suggested by the Department of Land and Natural Resources that:
 - (A) Requires the application for a certificate of title to include the date of birth and driver's license or civil identification number of the applicant, among other information;
 - (B) Deletes the provision stating that the required contents of a certificate of title are a government record; and
 - (C) Requires the Department of Land and Natural Resources to allow public inspection of its files in accordance with the Uniform Information Practices Act, except for the individual's home address, home telephone number, date of birth, citizenship status, driver's license or civil identification number, or the name of an applicant whose application was not granted;
- (3) Clarifying that under the requirements for the perfection of a security interest, a security interest in a vessel is perfected by receipt by, rather than delivery to, the Department of Land and Natural Resources of an application for a certificate of title and the applicable fee or attachment of the security interest, whichever occurs later;
- (4) Changing the effective date to July 1, 2018; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2596, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2596, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3188 Housing on H.B. No. 2073

The purpose and intent of this measure is to:

- (1) Establish the Kanoelehua Industrial Area and Banyan Drive region as a redevelopment district until June 30, 2028;
- (2) Authorize a local redevelopment agency to contract with a developer for construction of non-residential uses on public land within the redevelopment district consisting of the Kanoelehua Industrial Area and Banyan Drive region; and
- (3) Exempt gross income received for the construction of works or improvements of a redevelopment project from the general excise tax and use tax.

Your Committee received testimony in support of this measure from the Office of the Mayor of the County of Hawai'i and one individual. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources. Your Committee received comments on this measure from the Department of the Attorney General and Department of Taxation.

Your Committee finds that chapter 53, Hawaii Revised Statutes, authorizes a county council to create a local redevelopment agency for the county to undertake and carry out urban renewal projects and related activities authorized by law. This measure would provide redevelopment agencies the authority, subject to prior approvals by the applicable county, Governor, and Legislature, to negotiate a development agreement with a developer for commercial, business, or hotel or resort uses on public lands within a redevelopment district consisting of the Kanoelehua Industrial Area and Banyan Drive region.

Your Committee notes that this measure also exempts gross income from the construction of works or improvements of a redevelopment project from the general excise tax and use tax. Your Committee has concerns regarding the feasibility of exempting such projects and believes that other financial incentives may be provided to encourage redevelopment projects.

Accordingly, your Committee has amended this measure by:

- (1) Removing language that exempts gross income from the construction of works or improvements of a redevelopment project from the general excise tax and use tax; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee further notes the concerns raised in testimony submitted by the Department of the Attorney General that the creation of a pilot redevelopment project for lands only within the Kanoiehewa Industrial Area and Banyan Drive region may be deemed to be special legislation and therefore may violate article XI, section 5, of the Hawaii State Constitution. Your Committee believes that this issue merits further discussion as this measure moves through the legislative process.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2073, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2073, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Harimoto, Kahele).

SCRep. 3189 (Joint) Housing and Labor on H.B. No. 2368

The purpose and intent of this measure is to appropriate funds for permanent civil service positions and equipment for the Hawaii Public Housing Authority to provide services historically and customarily performed by civil service employees in connection with refuse collection.

Your Committees received testimony in support of this measure from the Department of Human Resources Development; Hawaii Public Housing Authority; and United Public Workers, AFSCME Local 646, AFL-CIO. Your Committees received comments on this measure from the Grassroot Institute of Hawaii.

Your Committees find that in 1997, the Hawaii Supreme Court ruled in *Konno v. County of Hawaii* that the County of Hawaii violated civil service laws and merit principles when the county hired private contractors to perform landfill operations work. The court ruled that state civil service laws allowed only civil service employees to perform work historically and customarily done by civil service employees. As a result of the repeal of part II of Act 90, Session Laws of Hawaii 2001, which had allowed the State to contract for services historically and customarily performed by civil service employees if equivalent or better services could be provided at lower cost, an agreement was reached between the United Public Workers and the State. This agreement reflected the State's commitment to comply with the *Konno* decision and recognized the State's duty to provide services to the public.

However, your Committees further find that the State does not have a sufficient number of civil service positions and employees to perform services historically and customarily performed by United Public Workers-type employees, and state agencies have resorted to contracting for these services despite the *Konno* decision. It is estimated that the State will need an additional 598 permanent positions and approximately \$75,571,516 to fill those positions and purchase associated equipment with general and non-general funds to provide necessary services to the public through civil service employees rather than through private contractors. Accordingly, this measure is an effort to address this shortfall by appropriating funds for permanent civil service positions and equipment in connection with refuse collection for the Hawaii Public Housing Authority.

Your Committees note that the 598 permanent positions identified only includes United Public Workers-type employees and does not account for a statewide total. Your Committees further note that the State lacks a strategic plan for transitioning all contracted employees who perform work historically and customarily done by civil service employees to civil service positions. Without a strategic plan, your Committees have concerns regarding the availability of state financial resources to transition all contracted employees to civil service employees in order to comply with *Konno*.

Accordingly, your Committees have amended this measure by:

- (1) Requiring the Department of Human Resources Development to develop a multi-year strategic plan to transition contracted positions that are historically and customarily performed by civil service employees to civil service positions in order to comply with the decision under *Konno v. County of Hawaii* and submit a report to the Legislature prior to the Regular Session of 2019;
- (2) Requiring the Hawaii Public Housing Authority to fill all twenty-seven permanent civil service positions and purchase the necessary equipment in connection with refuse collection by July 1, 2020; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2368, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2368, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Housing: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Kahele).
Labor: Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 3190 (Joint) Public Safety, Intergovernmental, and Military Affairs and Water and Land on H.B. No. 2539

The purpose and intent of this measure is to require the counties to designate an agency to inform the public and hold a hearing when lands included in a community master plan are proposed for sale and intended to be used for a purpose other than as proposed in the master plan.

Your Committees received testimony in support of this measure from Ho'omana Pono, LLC; and one individual. Your Committees received testimony in opposition to this measure from the Department of Planning and Permitting for the City and County of Honolulu and Land Use Research Foundation of Hawaii.

Your Committees find that it is important to allow for meaningful public input during the approval process for master plans of planned communities. Your Committees also find that in planned communities, sometimes developers fail to develop plots of land as originally planned and those plots of land are then sold and subsequently used for something other than the intended purpose. Your

Committees find that when this occurs, many residents are left confused and frustrated, particularly when there is no notification of the land being sold or the development plan being changed. Therefore, your Committees find that there should be notification requirements that require the owner of the subject property to provide written notification to the other property owners in the planned community and all neighborhood boards and legislators representing the area in which the subject property is located. Your Committees find that these notification requirements would be a more direct and effective way of communicating with those affected by potential changes in the planned community master plan than involving county planning departments.

Accordingly, your Committees have amended this measure by:

- (1) Deleting the requirement that the owner of any parcel of land included within a planned community master plan that is proposed for sale and intended to be used for a purpose other than as proposed in the planned community master plan, inform the planning department of the county of the proposed sale and of the intended use of the parcel;
- (2) Inserting a requirement that the owner of any parcel of land included within a planned community master plan that is proposed for sale and intended to be used for a purpose other than as proposed in the planned community master plan, inform each owner of a unit in the planned community and all neighborhood boards and legislators representing the area in which the parcel of land is located in writing of the intended use of the parcel no later than ninety days before the sale of the parcel; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2539, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2539, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Wakai).
Water and Land: Ayes, 3. Noes, none. Excused, 2 (Gabbard, Inouye).

SCRep. 3191 Education on H.B. No. 2117

The purpose and intent of this measure is to:

- (1) Limit the number of standardized tests students take in a school year; and
- (2) Require the Board of Education to conduct a statewide survey of school administrators and teachers to determine the time spent on preparing for standardized tests and the impact of preparation time on the quality of instruction.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, Ka Ohana O Na Pua, IMU Alliance, Parents for Public Schools of Hawai'i, Civic Education Council, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Americans for Democratic Action Hawai'i, and numerous individuals. Your Committee received testimony in opposition to this measure from the Department of Education and one individual. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that due to the No Child Left Behind law in 2001 and Race to the Top program in 2009, teachers and administrators in Hawai'i's public school system spent growing amounts of time, money, and energy on standardized testing at the expense of authentic learning. This overemphasis on standardized testing narrows academic curricula and causes teachers to teach to the test, leading to reductions in arts and cultural education and vocational programming. Standardized testing also creates a climate of compliance and fear among students, teachers, and administrators. By limiting the number of standardized tests students take each school year, many of the negative effects of standardized testing, such as diverted resources and low teacher morale, can be avoided.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2117, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3192 Commerce, Consumer Protection, and Health on H.B. No. 2742

The purpose and intent of this measure is to more effectively regulate and administer medical cannabis patient registration and medical cannabis dispensaries by establishing the Office of Medical Cannabis Control and Regulation (Office) within the Department of Health.

Your Committee received testimony in support of this measure from the Drug Policy Forum of Hawai'i, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and Kush Bottles. Your Committee received comments on this measure from the Department of Health and Department of the Attorney General.

Your Committee finds that this measure creates a new office to oversee and administer medical cannabis dispensary licensure and regulation, and the registration of qualifying patients. Your Committee further finds that this measure will enable fair and equitable access to medical cannabis while allowing the Department of Health to maintain oversight through the licensing process.

Your Committee received testimony from the Department of Health indicating that the Office would be more appropriately placed under the direct operational oversight of the Deputy Director of Health Resources Administration, rather than the Director of Health, to allow easier access to subject matter experts. The Department of Health also indicated to your Committee that the Office will require the transfer of additional staff to help accomplish its mission, and that, due to the specialized nature of the required positions, the positions should be exempt from civil service. Your Committee also received a suggested amendment from the Attorney General to include within the purview of the Office the registration of primary caregivers.

Accordingly, your Committee has amended this measure by:

- (1) Placing the Office of Medical Cannabis Control and Registration under the oversight of the Deputy Director of Health Resources Administration rather than the Director of Health;
- (2) Including the establishment of four full-time equivalent positions as purposes of the appropriation, to provide operational support for the Office of Medical Cannabis Control and Registration;
- (3) Extending the civil service exempt status for persons in civil service exempt positions prior to enactment of this measure and who will transfer into the Office of Medical Cannabis Control and Registration as a consequence, notwithstanding section 76-16(b)(17)(A), Hawaii Revised Statutes, to the contrary; and
- (4) Expanding the purview of the Office of Medical Cannabis Control and Registration to include registration of primary caregivers.

Your Committee notes that, although the appropriation amount in this measure is blank, the Department of Health's testimony indicates that establishing an Office of Medical Cannabis Control and Registration would cost as much as \$2,777,836, which does not include general fund advances to establish the dispensary licensing program.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2742, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2742, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 3193 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2696

The purpose and intent of this measure is to appropriate funds to establish one full-time equivalent, civil service exempt cybersecurity analyst position within the State Department of Defense.

Your Committee received testimony in support of this measure from the Department of Defense and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that cybersecurity threats are a serious public safety concern. Cyber threats range from propaganda and low-level web page defacements to espionage and serious disruption to infrastructure. Moreover, criminal organizations can use cyber attacks to conduct industrial espionage and monetary theft. Accordingly, your Committee finds that it is necessary to employ a full-time cybersecurity analyst within the State Department of Defense to help the State combat potentially debilitating cybersecurity threats.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2696, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Ihara).

SCRep. 3194 Higher Education on H.B. No. 2165

The purpose and intent of this measure is to establish and appropriate funds for the University of Hawai'i promise program to provide scholarships for the unmet direct cost needs of qualified students enrolled at any University of Hawai'i campus, including community college campuses.

Your Committee received testimony in support of this measure from the University of Hawai'i System, Department of Education, Kamehameha Schools, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, University of Hawai'i Alumni Association, and two individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that an educated labor force and engaged citizenry are essential in today's global, knowledge-based economy. Across the nation, states have set ambitious goals to boost college completion rates. The University of Hawai'i's graduation initiative is a system-wide strategic initiative endorsed by the University of Hawai'i Board of Regents with a goal to increase the educational capital of the State by increasing participation in, and completion of, college by students, particularly Native Hawaiians, low-income students, and those from underserved regions and populations, and preparing them for success in the workforce and their communities.

Your Committee further finds that despite Hawai'i's overall high affordability ranking, attending college is a large expense for families earning less than \$30,000 annually and, historically, the State provides minimal need-based aid to students attending public institutions. However, monies allocated for the University of Hawai'i's community college promise program in the 2017 state budget helped provide scholarship opportunities to one thousand community college students. This success demonstrates that the permanent establishment of the program is further warranted at all University of Hawai'i campuses.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2165, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3195 Higher Education on H.B. No. 2299

The purpose and intent of this measure is to facilitate the process by which the University of Hawai'i obtains approval to indemnify, defend, and hold harmless a county agency, its officers, agents, and employees for university purposes and university functions on county property.

Your Committee received testimony in support of this measure from the University of Hawai'i System.

Your Committee finds that the University of Hawai'i campuses frequently use county parks and other facilities for university purposes and functions, such as physical education classes, athletic events, and graduation events. The current procedure for the University of Hawai'i to obtain approval from the Governor to indemnify a county for using a county facility for university purposes is unnecessarily burdensome. This measure allows the University of Hawai'i to no longer need to engage in the lengthy approval process to support day-to-day operational transactions when the University uses county property, under certain conditions.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2299, H.D. 1, and recommends that it pass Second Reading and be referred to your Committees on Judiciary and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3196 (Joint) Higher Education and Water and Land on H.B. No. 2613

The purpose and intent of this measure is to appropriate funds for the hiring of permanent staff positions within the University of Hawai'i to develop and maintain He'eia reserve and its programs.

Your Committees received testimony in support of this measure from the University of Hawai'i System; Hawai'i Community Development Authority; The Nature Conservancy, Hawai'i; Ko'olaupoko Hawaiian Civic Club; Ko'olau Foundation; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and two individuals.

Your Committees find that in 2014, He'eia was officially nominated as a national estuarine research reserve to support the National Oceanic and Atmospheric Administration's policy to encourage expansion of the program in unrepresented areas of the country. The site, located on Oahu's windward shore, includes He'eia state park, He'eia fishpond, and the He'eia community development district, as well as marine waters with patch and fringing reefs and Moku o Lo'e (Coconut Island). In 2017, the He'eia site was officially designated as the twenty-ninth site in the national estuarine research reserve system, which enables federal funding to support the implementation of the management plan.

Your Committees further find that the Hawai'i Institute of Marine Biology, which is part of the University of Hawai'i at Manoa, is the lead agency for implementation of the He'eia national estuarine research reserve system management plan. For He'eia reserve to succeed in its function within the national estuarine research reserve system, funding for initial staffing is essential and required to keep the reserve fully functioning.

Your Committees have amended this measure by:

- (1) Authorizing the University of Hawai'i as one of the state entities that may review or inspect contractors and other third parties who receive funds under this measure;
- (2) Specifying that the appropriation shall be for 1.36 full-time equivalent (1.36 FTE) positions within the University of Hawai'i to maintain the initial staff positions that are necessary to develop and manage He'eia reserve and its programs;
- (3) Inserting an effective date of December 24, 2030, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2613, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2613, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Higher Education: Ayes, 5. Noes, none. Excused, none.
Water and Land: Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 3197 Transportation and Energy on H.B. No. 1508

The purpose and intent of this measure is to:

- (1) Establish within the Department of Transportation a building energy efficiency demonstration project to assist the State in determining best practices for designing state facilities with net zero emissions; and
- (2) Require all state buildings built or renovated after July 1, 2020, to incorporate certain energy efficient standards.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which deletes the contents of this measure and inserts language to create a revolving line of credit sub-fund of an unspecified amount under the umbrella of the Hawaii green infrastructure special fund for any state agency or department to finance cost-effective energy-efficiency measures.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Business, Economic Development, and Tourism; Hawaii Green Infrastructure Authority; Ulupono Initiative; O'ahu County Committee on the Legislative Priorities of the Democratic Party of Hawai'i; and one individual.

Your Committee finds that as a major consumer of electricity, the government sector has a large role in helping the State achieve its renewable energy goals. Furthermore, energy efficient facilities have the potential to significantly reduce energy costs for the State on a wide scale. Your Committee notes that there is already funding for energy efficiency measures for public schools through the Hawaii green infrastructure special fund.

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1508, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1508, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3198 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2175

The purpose and intent of this measure is to require metropolitan planning organizations serving a certain metropolitan planning area to include on the policy board a member of the Senate and an alternate member of the Senate, to be appointed by the President of the Senate, as well as a member of the House of Representatives and an alternate member of the House of Representatives, to be appointed by the Speaker of the House of the Representatives.

Your Committees received testimony in support of this measure from the Department of Transportation. Your Committees received comments on this measure from the Department of the Attorney General and one individual.

Your Committees find that the population growth in Maui County means Maui County will soon be large enough to have a metropolitan planning organization. However the law on the metropolitan planning organization's policy board, as currently written, could be overly restrictive, particularly if the organization chooses to have a smaller policy board.

Your Committees heard testimony expressing concerns that there might be a conflict between state and federal law if this measure passes. Your Committees note that the Federal Highway Administration has advised that allowing an individual who is not a resident of the metropolitan planning area to have voting power may be against federal law, and could result in loss of federal highway funding. As such, Oahu members of your Committees are concerned that the language in this measure could jeopardize federal funding. Furthermore, your Committees have concerns on the potential impact of this measure on the Oahu Metropolitan Planning Organization as it approaches its compliance review recertification.

Your Committees also heard concerns from the Department of the Attorney General that this measure could be challenged as a special law. In particular, the Department of the Attorney General had concerns about the applicability of this measure to a county that includes "three islands inhabited by permanent residents".

Accordingly, your Committees have amended this measure by:

- (1) Removing the language making this measure applicable to a county that includes "three islands inhabited by permanent residents";
- (2) Amending the policy board's membership to closely follow S.B. No. 2296, S.D. 1 (Regular Session of 2018), a substantially similar measure that was previously passed by the Senate, which requires that the membership include one Senate member and one member from the House of Representatives, both of whom must be residents of the applicable metropolitan planning area; and
- (3) Making a technical, nonsubstantive amendment for the purpose of clarity and consistency.

Your Committees find this measure is a work in progress and that if the issues raised during the public hearing on this measure are not resolved by the amendments made, your Committees request that your Committee on Ways and Means explore these issues further.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2175, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2175, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 1 (Harimoto).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3; Ayes with Reservations (Thielen). Noes, none. Excused, 2 (Baker, Ihara).

SCRep. 3199 (Joint) Human Services and Housing on H.B. No. 2753

The purpose and intent of this measure is to:

- (1) Establish and appropriate funds for the Ohana Zone Pilot program to provide basic needs such as shelter, bathrooms, showers and offer wrap-around services, social health care services with the goals to alleviate intergenerational poverty and transition homeless individuals into affordable housing; and
- (2) Establish performance measures and report to the legislature on the updated progress and evaluation of performance measures.

Your Committees received testimony in support of this measure from the Office of the Mayor, County of Hawaii; Chamber of Commerce Hawaii; The Queen's Health Systems; IMUAlliance; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Hawaii Kai Homeless Task Force; and forty-three individuals. Your Committees received testimony in opposition to this measure from thirty individuals. Your Committees received comments on this measure from the Governor's Coordinator on Homelessness, Department of Human Services, Department of Land and Natural Resources, and Catholic Charities Hawaii.

Your Committees find that homelessness is a complex issue as individuals experiencing homelessness face a myriad of issues such as loss of employment and lack of income, substance abuse, mental health conditions, and lack of affordable housing. Your Committees further find that while significant strides have been made, current attempts to address homelessness in the State remain insufficient. Your Committees conclude that alternative approaches are necessary to reduce homelessness in the State.

Your Committees have amended this measure by:

- (1) Inserting language requiring the construction cost for each dwelling in an ohana zone to be no more than \$15,000;
- (2) Inserting language requiring at least fifty percent of manufacturing and labor costs of each dwelling in an ohana zone to be purchased in the State;
- (3) Inserting language to establish and appropriate funds for a pilot project to convene certain individuals who work in emergency departments in a participating hospital to provide assessments and referrals for wrap-around social services to homeless individuals in an effort to reduce costs associated with the chronic use of emergency departments;
- (4) Inserting language to authorize the Department of Human Services to establish a pilot program to provide homeless individuals with assistance to be reunited with family and relatives in that individual's state and appropriate funds for the program;
- (5) Inserting language to establish and appropriate funds for a pre-arrest diversion pilot project for individuals with mental health or substance abuse challenges;
- (6) Inserting language to establish and appropriate funds to continue the coordinated statewide homeless initiative to prevent homelessness and rehouse homeless individuals;
- (7) Inserting language to establish and appropriate funds for a pilot project to provide shelter and mental health treatment for homeless individuals with severe mental illness who are subject to an assisted community treatment order or court ordered guardianship to take effect upon approval of the Department of the Attorney General;
- (8) Inserting an appropriation of an unspecified amount for the Department of Human Services to fund various projects to plan and construct housing for various vulnerable homeless populations and exempting the Department from rulemaking pursuant to chapter 91, Hawaii Revised Statutes, for the planning and construction of housing for those vulnerable homeless populations; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2753, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2753, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the President and Chair on behalf of the Committees.
 Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).
 Housing: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Kahele).

SCRep. 3200 Human Services on H.B. No. 1812

The purpose and intent of this measure is to:

- (1) Authorize a surrogate of a patient to be a Medicaid authorized representative for the patient; and
- (2) Specify the duties and obligations of the surrogate as a Medicaid authorized representative.

Your Committee received testimony in support of this measure from the Hawaii Health Systems Corporation, Healthcare Association of Hawaii, Aloha Nursing Rehab Centre, Kaiser Permanente, The Queen's Health Systems, One Kalakaua Senior Living, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that, in 2017, the Department of Human Services implemented new procedures to allow an appointed surrogate to act as a patient's authorized representative to make health care decisions related to Medicaid, including the decision to apply for Medicaid benefits. However, the Department suspended the option for a surrogate to act as an individual's Medicaid authorized representative after determining specific issues needed to first be addressed and clarified. Allowing a surrogate to apply and enroll for Medicaid benefits on a patient's behalf will ensure a patient will have the opportunity to access and receive necessary healthcare services.

Your Committee has amended this measure by:

- (1) Clarifying that a surrogate acting as a Medicaid authorized representative of a patient may also submit and execute a Medicaid application on the patient's behalf;
- (2) Clarifying that the surrogate may only access Medicaid records of the patient on whose behalf the surrogate is acting; and

- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1812, H.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1812, H.D. 3, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the President on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

SCRep. 3201 (Joint/Majority) Economic Development, Tourism, and Technology and Labor on H.B. No. 2659

The purpose and intent of this measure is to:

- (1) Establish a five-year Kapolei jobs initiative pilot program and establishes requirements to qualify for the tax credit; and
- (2) Establish a Kapolei jobs initiative income tax credit program as an incentive of the Kapolei jobs initiative pilot program.

Your Committees received testimony in support of this measure from the Chamber of Commerce Hawaii; Kapolei Chamber of Commerce; Pacific Resource Partnership; Palehua Townhouse Association; Hawai'i Construction Alliance; National Kidney Foundation of Hawaii; James Campbell Company, LLC; Kapolei Commons, LLC; Klapperich International Training Associates, LLC; Hunt Development Group, LLC; Associa; Urgent Care Hawaii; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Coral Crater, LLC; Ho'omanapono Political Action Committee; and ten individuals. Your Committees received comments on this measure from the Department of Taxation; Department of Business, Economic Development, and Tourism; and Tax Foundation of Hawaii.

Your Committees find that job growth in the Kapolei region on Oahu affects employers and employees alike, as households continue to outgrow the number of employment opportunities in the region. Your Committees further find that the state enterprise zone program is restrictive and participation in the program has been relatively low. Establishing an incentive such as the Kapolei jobs initiative program would attract needed professional, high-paying jobs to the Kapolei area.

Your Committees note that in order for the Kapolei jobs initiative program to produce meaningful impacts, businesses should provide more competitive salaries to at least half of their employees in order to qualify for incentives and participate in the program. According to a report by the Hawaii Housing Finance and Development Corporation, the average area median income of a single person in the City and County of Honolulu is \$73,300. Your Committees suggest that \$73,000 may be an appropriate amount for your Committee on Ways and Means to further consider.

Your Committees have amended this measure by:

- (1) Deleting language that would have allowed qualified businesses to carry over any unused tax credits to subsequent taxable years;
- (2) Inserting a blank amount of gross annual salaries that a business must pay to at least half of its employees in order to be considered a qualified business; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2659, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2659, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Economic Development, Tourism, and Technology: Ayes, 4; Ayes with Reservations (Baker, Galuteria, Thielen, Wakai). Noes, 1 (Taniguchi). Excused, none.
Labor: Ayes, 3; Ayes with Reservations (Chang). Noes, 1 (Taniguchi). Excused, 1 (Ihara).

SCRep. 3202 Commerce, Consumer Protection, and Health on H.B. No. 2471

The purpose and intent of this measure is to appropriate an unspecified amount to create the Hawaii Digital Gaming Commission within the Office of Consumer Protection to oversee and monitor predatory and exploitative practices in digital games.

Prior to a hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which deletes the contents of this measure and inserts language to:

- (1) Transition from lump sum deferred deposit transactions to installment-based small dollar loan transactions;
- (2) Specify various consumer protection requirements for small dollar loans;
- (3) Beginning January 1, 2019, require licensure for small dollar lenders that offer small dollar loans to consumers; and
- (4) Specify licensing requirements for small dollar lenders.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Commerce and Consumer Affairs, Hawaiian Community Assets, Mental Health America of Hawai'i, Hawai'i Appleseed Center for Law & Economic Justice, Aloha United Way, Hawai'i Alliance for Community-Based Economic Development, Hawaii Habitat for Humanity Association, and The Pew Charitable Trusts. Your Committee received testimony in opposition to the proposed S.D. 1 from Maui Loan Inc.; and Money Service Centers of Hawaii, Inc. Your Committee received comments on the proposed S.D. 1 from the Department of Taxation and one individual.

Your Committee finds that deferred deposit agreements, commonly referred to as payday loans, are small, short term, unsecured loans that borrowers commit to repay from their next paycheck or a regular income payment. The majority of borrowers use deferred deposit agreements for recurring expenses, rather than unexpected expenses or emergencies, because they live paycheck to paycheck. Furthermore, according to a 2017 analysis by the Consumer Financial Protection Bureau, four out of five payday loans are rolled over or renewed, meaning that a borrower was not able to repay a loan by the agreed up on date and was left with no other recourse than another high interest payday loan, despite having already experienced the difficulties of repaying these loans. Because of this revolving door of debt, the average payday loan borrower remains in debt for more than six months.

Your Committee also finds that there has been a shift in the payday industry toward small dollar installment loans, which are repayable over time and secured by access to the borrower's checking account. However, in the absence of sensible regulatory safeguards, this type of payday lending, as well as the traditional deferred deposit payday lending market, can be harmful for consumers. Your Committee notes that without strong consumer protections in the payday loan industry, payday loan borrowers may find such debt overwhelming and may be unable to pay rent and basic living costs.

The proposed S.D. 1 therefore establishes a regulatory structure for small dollar loans that enables consumers to access these small dollar loans while also capping interest rates, requiring disclosures, and allowing consumers to pay off these small dollar loans in a timely manner. The proposed S.D. 1 therefore allows consumers continued access to affordable loans with reasonable repayment terms, while also allowing small dollar loan lenders the ability to make these types of loans with a reasonable rate of return.

Your Committee additionally finds that the proposed S.D. 1 has a tiered implementation date, with a six-month grace period between July 1, 2018, when the Division of Financial Institutions starts the program on NMLS, until January 1, 2019, when licensure for small dollar loan lenders will be required. This grace period will provide the Division with sufficient time to work with the small dollar loan industry, which will enable the industry to gain familiarity with the small dollar installment loan program and ensure a smooth transition to the new licensing requirements.

Your Committee also finds that, according to the Division of Financial Institutions, the Division requires one full-time examiner position to be appointed to immediately establish the small dollar loan program for the small dollar loan industry. Your Committee notes that the Division is entirely self-funded from fees paid by the licensees of its various program, and therefore, the establishment and appointment of such a position does not require a general fund appropriation, although it will require an increase in the position ceiling of the compliance resolution fund. The expected cost for one full-time equivalent position is \$107,271, which includes employee benefits.

Your Committee also notes that after continued discussions with interested stakeholders, additional amendments to the proposed S.D. 1 are necessary to ensure that the proposed S.D. 1 achieves its goals of balancing access to small dollar loans with robust consumer protections. Amendments to the proposed S.D. 1 are therefore necessary to incorporate these suggested revisions.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Adding definitions for "verified gross income" and "verified net income";
- (2) Clarifying the monthly maintenance fee to be charged by a lender shall be a tiered payment structure based on the size of the original principal loan amount, from a minimum of \$10 to a maximum of \$25, rather than a flat fee of \$25;
- (3) Removing references to single payments, as the new chapter established by this measure pertains to affordable small dollar installment loans;
- (4) Removing language that would have authorized the Commissioner of Financial Institutions to biennially adjust for inflation the total amount of a small dollar loan and the total maintenance fee on the small dollar loan and would have required these updated fees to be posted on the Division of Financial Institutions' website;
- (5) Requiring a small dollar lender to disclose a payoff amount for a small dollar loan, when requested by a consumer or a consumer's agent;
- (6) Clarifying that the maximum authorized interest for a small dollar loan shall be subject to the cap on permitted fees and charges;
- (7) Clarifying the prohibitions against making multiple small dollar loans to a consumer at any one time;
- (8) Specifying certain notice requirements prior to sale or assignment of small dollar loan contracts held by a small dollar lender;
- (9) Clarifying that, when conducting an investigation of an applicant's financial responsibility, the Commissioner of Financial Institutions may consider whether an applicant has outstanding tax or other liens, subject to applicable disclosure laws and administrative rules;
- (10) Clarifying that a license shall not be issued to an applicant whose license to conduct business in the small dollar loan or payday loan industry has been revoked in another state or jurisdiction;
- (11) Clarifying the confidentiality provisions associated with the disclosure of confidential supervisory information or other information or material disclosed to NMLS;
- (12) Clarifying the prohibited practices for small dollar lenders and associated parties, including:
 - (A) Clarifying the prohibition against offering credit insurance to consumers and changing any fees other than those explicitly authorized;
 - (B) Prohibiting the electronic withdrawal of funds from a consumer's account, without the written approval of the consumer;
 - (C) Prohibiting attempts to collect from a consumer's account after two failed consecutive attempts, without obtaining new written authorization from the consumer; and

- (D) Specifying requirements for accelerating delinquent loans;
- (13) Appropriating sums from the compliance resolution fund to enable the Division of Financial Institutions to establish and hire one full-time equivalent permanent examiner to carry out the purposes of the Small Dollar Installment Loan Program, and specifying that this position may be added to the position count for the Division; and
- (14) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2471, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2471, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3203 Commerce, Consumer Protection, and Health on H.B. No. 2729

The purpose and intent of this measure is to:

- (1) Amend the medical cannabis reciprocity program and add a visiting patient certifying fee;
- (2) Extend expiration of a written certification to three years for debilitating medical conditions that are chronic in nature;
- (3) Permit retesting of a failed batch of cannabis for medical use or manufactured cannabis products;
- (4) Permit dispensary licensees to distribute devices that provide safe pulmonary administration; and
- (5) Increase the maximum allowable tetrahydrocannabinol limit for multi-pack manufactured cannabis products and single containers of oil.

Your Committee received testimony in support of this measure from the Hawai'i Justice Coalition, The Drug Policy Forum of Hawai'i, Maui Grown Therapies, Noa Botanicals, Hawaii Education Association for Licensed Therapeutic Healthcare, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Kush Bottles, and sixteen individuals. Your Committee received comments on this measure from the Department of Health, Department of the Attorney General, and one individual.

Your Committee finds that existing law authorizes a start date of January 1, 2018, for a reciprocity program where medical cannabis patients from other states would be able to legally purchase medical cannabis from Hawaii-licensed dispensaries. However, this program has yet to be implemented. This measure therefore amends the reciprocity program to allow out-of-state patients to obtain medical cannabis, by permitting a dispensary to make reasonable good faith efforts to verify an out-of-state patient's qualifications. However, your Committee has heard the concerns that this measure lacks a reliable method or requirement to determine an out-of-state patient's qualifications to purchase medical cannabis. Without such requirements, there is a substantial risk of diversion of cannabis to people who are not entitled to have it, which may create a risk to the State.

Your Committee further finds that any reciprocity process for out-of-state medical cannabis patients must meet specific criteria that uphold the integrity and rigor of the State's medical cannabis program. A reciprocity program in Hawaii must: not significantly diminish the safety and security aspects of Hawaii's approach to medical cannabis; be implemented in a way that is fair and equitable to Hawaii medical cannabis patients, and not confer greater access to out-of-state medical cannabis patients than to Hawaii medical cannabis patients; provide a timely process for qualifying out-of-state patients who visit Hawaii to legally obtain medical cannabis from Hawaii-licensed medical cannabis dispensaries; and provide protection from state law enforcement for registered qualifying out-of-state patients who possess medical cannabis in Hawaii.

Your Committee notes that the Department of Health has been engaged in discussions with the trade association representing Hawaii's licensed medical cannabis dispensaries regarding reciprocity for qualifying out-of-state medical cannabis patients. The interested stakeholders have collaborated on language that represents an agreeable, appropriate process for reciprocity in Hawaii. Amendments to this measure are therefore necessary to incorporate this consensus language.

Your Committee also notes that in addition to expanding appropriate access to medical cannabis for visitors, amendments to this measure are also necessary to provide medical cannabis dispensaries with additional flexibility with regard to manufacturing and dispensing of approved products and greater discretion in hiring decisions and ensure that qualifying medical cannabis patients have increased access to appropriate forms of medical cannabis.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying the reciprocity process for out-of-state medical cannabis patients, including:
 - (A) Establishing registration requirements for qualifying out-of-state patients and caregivers of qualifying out-of-state patients, including the time frame for registration; minimum criteria for registration of qualifying out-of-state patients and caregivers of qualifying out of state patients, if the qualifying out-of-state patient is under eighteen years of age; payment of a registration or renewal fee; and the temporary suspension of out-of-state registrations if the Department determines in-state qualifying patients or primary caregivers are being adversely affected or there is insufficient supply for both in-state and out-of-state patients;
 - (B) Establishing conditions of use for the medical use of cannabis by a qualifying out-of-state patient; and
 - (C) Clarifying certain safeguards under the reciprocity process for qualifying out-of-state patients and caregivers of qualifying out-of-state patients, including various protections, penalties for fraudulent misrepresentation of an entitlement to use cannabis for medical purposes, authorized sources of medical cannabis, certain protections and safeguards applicable to licensed medical cannabis dispensaries, dispensing limits, and adequate supply;

- (2) Clarifying the registration requirements for qualifying patients and primary caregivers and specifying that these requirements do not apply to qualifying out-of-state patients or caregivers of qualifying out-of-state patients;
- (3) Prohibiting an employer from suspending, discharging, or discriminating against an employee for testing positive for cannabis if the employee is a registered qualifying patient who is authorized for the medical use of cannabis, with certain exceptions;
- (4) Clarifying the ability for a dispensary licensee to retest, at its own expense, a batch of cannabis or manufactured cannabis products that do not meet the Department of Health's standards for patient safety;
- (5) Permitting a bona fide physician-patient or advanced practice registered nurse-patient relationship to be established via telehealth, for purposes of providing written certification for the medical use of cannabis for a qualifying patient and specifying that treatment recommendations that include certifying a patient for the medical use of cannabis via telehealth shall be allowed only after an initial in-person consultation;
- (6) Allowing and regulating the manufacturing of edible cannabis products as manufactured cannabis products by licensed medical cannabis dispensaries, including requirements for manufacturing, handling, labeling, and packaging of manufactured cannabis products;
- (7) Adding certain devices that provide safe pulmonary administration to the list of medical cannabis products that may be manufactured and distributed;
- (8) Increasing the tetrahydrocannabinol limit per pack or container of certain manufactured cannabis products;
- (9) Specifying certain felonies and conditions that will preclude employment, and other felonies and conditions that may preclude employment, at a medical cannabis dispensary;
- (10) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2729, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2729, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 3204 (Joint) Labor and Commerce, Consumer Protection, and Health on H.B. No. 2173

The purpose and intent of this measure is to prohibit employers and educational institutions from requiring employees, students, and prospective employees and students to provide protected personal online account information.

Your Committees received testimony in support of this measure from the Department of Education, University of Hawai'i System, Hawai'i Civil Rights Commission, and two individuals. Your Committees received testimony in opposition to this measure from the American Civil Liberties Union of Hawai'i. Your Committees received comments on this measure from the Chamber of Commerce Hawaii.

Your Committees find that as more individuals subscribe to social media, privacy is a growing concern. Employers increasingly ask current and prospective employees to grant the employer access to social media accounts. Likewise, many educational institutions seek to examine the social media presence of current and prospective students. The Uniform Employee and Student Online Privacy Protection Act, completed by the Uniform Law Commission in 2016, addresses restrictions on employers' access to employees or prospective employees' social media and other online accounts accessed via username and password or other credentials of authentication as well as post-secondary educational institutions' access to students' or prospective students' similar online accounts. Your Committees further find that this measure is based upon uniform legislation and seeks to provide privacy protections for employees and students in the State.

Your Committees received testimony expressing concern that this measure as currently drafted may not protect student and employee privacy in a meaningful way and may contain loopholes that may result in unintended consequences.

Accordingly, your Committees have amended this measure by:

- (1) Deleting its contents and replacing it with the American Civil Liberties Union's Personal Online Account Privacy Act, which:
 - (A) Prohibits employers and educational institutions from:
 - (i) Requiring, requesting, or coercing an employee or applicant, or student or prospective student, respectively, to disclose or provide access to a personal online account, the non-public contents of a personal online account, a technological device for purposes of gaining access to a personal online account, or account settings to increase third party access to the contents of a personal online account;
 - (ii) Requiring or coercing an employee or applicant, or student or prospective student, to add anyone, including the employer, to their list of contacts associated with a personal online account;
 - (iii) Taking any action or threatening to take any action to discharge, discipline, or penalize an employee or student, respectively, in response to an employee's or student's refusal to disclose any information or take any action; and
 - (iv) Failing or refusing to hire any applicant or admit any prospective student as a result of an applicant's or prospective student's refusal to disclose any information or take any action;

- (B) Provides circumstances in which employers and educational institutions may request or require access to certain information;
 - (C) Provides conditions under which the employers and educational institutions may prohibit the use of personal online accounts;
 - (D) Provides procedures for if an employer or educational institution inadvertently receives prohibited personal online account information;
 - (E) Allows for legal action to be taken against violators;
 - (F) Prohibits admission of data obtained, accessed, used, copied, disclosed, or retained in violation of this measure in any criminal, civil, administrative, or other proceeding; and
 - (G) Inserts a severability clause;
- (2) Inserting an effective date of January 1, 3000, to encourage further discussion; and
 - (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Labor and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2173, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2173, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary.

Signed by the Chairs on behalf of the Committees.

Labor: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3205 (Joint) Labor and Judiciary on H.B. No. 2341

The purpose and intent of this measure is to:

- (1) Allow the Employees' Retirement System (ERS) to make direct payments to spouses or former spouses of ERS members or retirants to include former spouses or former members with vested benefit status when the former spouse has been awarded all or a portion of ERS retirement benefits as ordered or decreed in a domestic relations proceeding;
- (2) Make ERS benefits payable to an alternate payee; and
- (3) Delay implementation of Act 263, Session Laws of Hawaii 2016, to July 1, 2020.

Your Committees received testimony in support of this measure from the Board of Trustees of the Employees' Retirement System and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that Act 263, Session Laws of Hawaii 2016 (Act 263), authorizes and requires the ERS to make direct payments to the spouse or former spouse of an ERS member or retirant when the spouse or former spouse has been awarded all or a portion of the member's or retirant's retirement benefits as part of a property division adjudicated, ordered, or decreed by a court in a domestic relations proceeding. Act 263 did not make any appropriations for its implementation; therefore, this measure authorizes necessary funding. In addition, this measure amends the scope and implementation date of Act 263 by making consistent the benefit period payable to alternate payees regardless of whether the domestic relations order is certified prior to or after the member, former member with vested benefit status, or retirant retires, and by delaying the implementation of Act 263 until July 1, 2020. Your Committees find that delay of the effective date is necessary for development and application of necessary resources to support implementation and fund the costs of computer system modifications, ERS member and other affected parties' education, and increased operational costs.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees request that as this measure moves forward, your Committee on Ways and Means and the ERS work together to address the issue of designating the proper expending agency for the appropriation made in this measure.

As affirmed by the records of votes of the members of your Committees on Labor and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2341, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2341, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

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

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Kim).

SCRep. 3206 Labor on H.B. No. 2598

The purpose and intent of this measure is to:

- (1) Require the Department of Labor and Industrial Relations to establish paid family leave for all workers by January 1, 2020;
- (2) Authorize the Department of Labor and Industrial Relations to adopt interim rules;
- (3) Establish the Paid Family Leave Implementation Board to assist the Department of Labor and Industrial Relations and report to the Legislature;

- (4) Require the Legislative Reference Bureau to conduct a study, including an actuarial analysis, on aspects of implementing paid family leave; and
- (5) Establish and appropriate funds into and out of a paid family leave special fund.

Your Committee received testimony in support of this measure from the Office of the Governor; Department of Labor and Industrial Relations; Department of Human Services; Commission on the Status of Women; LGBT Caucus of the Democratic Party of Hawaii; Domestic Violence Action Center; Caring Across Generations; Planned Parenthood Votes Northwest and Hawaii; Hawaii State AFL-CIO; Filipina Advocacy Network; Hawai'i Women Lawyers; Community Alliance on Prisons; American College of Obstetricians and Gynecologists; PHOCUSED; American Association of University Women Hawaii; Hawaii Appleseed Center for Law & Economic Justice; Hawai'i Public Health Institute; Hawai'i State Democratic Women's Caucus; International Brotherhood of Electrical Workers Local Union 1260, AFL-CIO; Hawaii Women's Coalition; IMUAlliance; Hawaii State Teachers Association; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawaii Children's Action Network; I.A.T.S.E. Local 665; YWCA Oahu; AARP Hawaii; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Labor Caucus of the Democratic Party of Hawai'i; and four individuals. Your Committee received testimony in opposition to this measure from Hawaii Petroleum, Aloha Shell Service, Hawai'i Restaurant Association, Hawaii Credit Union League, Building Industry Association of Hawaii, Retail Merchants of Hawaii, Society of Human Resource Management-Hawaii Chapter; and Maui Chamber of Commerce. Your Committee received comments on this measure from the Department of Budget and Finance, Legislative Reference Bureau, Hawaii Food Industry Association, General Contractors Association of Hawaii, The Queen's Health Systems, and Highway Inn.

Your Committee finds that Hawaii's working families are especially vulnerable, and that the majority of Hawaii's workforce cannot afford to take unpaid leave to provide care for a newborn, bond with a new child, care for a family member with a serious health condition, or be a caregiver to an aging parent. Yet, for 240,000 employees who serve as primary caregivers to a family member, that is the dilemma they regularly face. Your Committee further finds that seven in ten children live in a household where both parents work, and over a quarter of children live in households with single parents; therefore, a lack of meaningful paid family leave policies makes such households especially vulnerable.

This measure will lay the groundwork to implement a paid family leave framework so that all employees can access leave benefits during times when they need to provide care for a family member.

Your Committee has amended this measure by:

- (1) Providing that the Department of Labor and Industrial Relations' selection of a paid family leave model shall give preference to universal coverage, ease of filing claims, speed of receiving benefits, minimal administrative costs, data collection capabilities, and speed of implementation;
- (2) Modifying the membership of the Paid Family Leave Implementation Board as follows:
 - (A) Designating that the Director of Human Resources Development, Comptroller, Chairperson of the Senate Committee on Labor, and Chairperson of the House of Representatives Committee on Labor are nonvoting members;
 - (B) Replacing the Insurance Commissioner with an insurance representative; and
 - (C) Adding a nonprofit budget and policy center representative, to be appointed by the Governor; and
- (3) Requiring, by January 1, 2020, and upon adoption of rules establishing paid family leave, that the Paid Family Leave Implementation Board develop and adopt recommendations to assist businesses complying with paid family that may include but not be limited to tax credits or deductions or grants for the hiring of temporary workers through the development of a supplemental fund; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2598, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2598, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3207 (Joint) Labor and Commerce, Consumer Protection, and Health on H.B. No. 1778

The purpose and intent of this measure is to:

- (1) In the event of a controverted workers' compensation claim, require an injured employee's private health care plan to pay for or provide medical care, services, and supplies; provided that when the claim is accepted, the employer shall reimburse the private health care plan and injured employee; and
- (2) In the event of an accepted workers' compensation claim for leukemia, multiple myeloma, non-Hodgkin's lymphoma, or certain cancers by a firefighter with five or more years of service, require an employer to be liable for one hundred thirty-seven percent of medical care, services, and supplies.

Your Committees received testimony in support of this measure from Hawaii State Fire Council; Honolulu Fire Department; Office of the Mayor of the County of Hawaii; Maui County Department of Fire and Public Safety; Hawaii Fire Department of the County of Hawaii; Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO; and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from the Department of Labor and Industrial Relations and Department of Human Resources Development.

Your Committees find that firefighters are exposed to multiple carcinogens and toxicants that are known or suspected to cause cancer through incident exposure as residential and vehicle fires release highly concentrated toxicants from plastics and synthetics. This exposure places firefighters at significantly higher risks than the general population of getting testicular cancer, multiple myeloma, non-Hodgkin's lymphoma, skin cancer, brain and malignant melanoma, rectal cancer, prostate cancer, buccal cavity and pharynx cancer, stomach cancer, colon cancer, and leukemia. Your Committees believe that providing sufficient medical coverage for firefighters recognizes the inherent occupational hazards that come with the job, ensures that firefighters receive proper medical treatment in a timely manner, and lessens the impact of emotional toil, financial burdens, and decreased quality of life on the families of firefighters diagnosed with cancer.

Your Committees have amended this measure by:

- (1) Inserting an effective date of January 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Labor and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1778, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1778, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

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

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 3208 Labor on H.B. No. 1627

The purpose and intent of this measure is to:

- (1) Repeal provisions that allow individuals whose earning capacity is impaired by old age or physical or mental deficiency or injury to receive wages lower than the applicable minimum wage; and
- (2) Allow persons with intellectual disabilities to receive wages lower than the applicable minimum wage.

Your Committee received testimony in support of this measure from the LGBT Caucus of the Democratic Party of Hawai'i; Domestic Violence Action Center; Hawaii State AFL-CIO; Filipina Advocacy Network; International Brotherhood of Electrical Workers Local Union 1620, AFL-CIO; National Federation of the Blind Hawaii; IMUAlliance; Hawaii State Teachers Association; I.A.T.S.E. Local 665; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Labor Caucus of the Democratic Party of Hawai'i; Hawai'i Alliance for Progressive Action; Progressive Democrats of Hawai'i; National Down Syndrome Society; and three individuals. Your Committee received testimony in opposition to this measure from the State Council on Developmental Disabilities, Brantley Center Inc., and three individuals. Your Committee received comments on this measure from the Department of Labor and Industrial Relations, Hawaii Disability Rights Center, Autism Society of Hawaii, Lanakila Pacific, and three individuals.

Your Committee finds that the existing Hawaii special minimum wage law allows employers to pay workers who are impaired by old age or disabilities subminimum wages in certain circumstances. Legislation that allows subminimum wages for certain individuals with disabilities was enacted under federal law in 1938, at a time when there were limited opportunities, few services, and even fewer technologies to enable workers with disabilities to engage in the workplace. Your Committee finds that with the high-cost of living in Hawaii and the availability and advancement of assistive technologies that can aid all workers, it is necessary that the State's policies are supportive and inclusive to allow all workers with disabilities to reach their full vocational and socioeconomic potential.

Your Committee hopes to assist the State in increasing employment opportunities for all workers in the State. Your Committee believes that providing the Department of Labor and Industrial Relations with additional resources and reporting requirements will allow for data collection to provide the Legislature with the necessary information to create improved employment policies going forward.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have allowed persons with intellectual disabilities to receive wages lower than the applicable minimum wage;
- (2) Clarifying that the Director of Labor and Industrial Relations no longer has the authority to issue special certificates to pay individuals impaired by old age or physical or mental deficiency wages that are lower than the applicable minimum wage;
- (3) Requiring the Department of Labor and Industrial Relations to submit annual reports to the Legislature relating to sustainable employment of individuals currently working at a subminimum wage and efforts to provide increased employment opportunities for individuals with disabilities;
- (4) Inserting a blank appropriation for one full-time equivalent (1.0 FTE) inspection and enforcement position within the Wage Standards Division of the Department of Labor and Industrial Relations; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1627, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1627, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Taniguchi). Noes, none. Excused, none.

SCRep. 3209 (Joint) Economic Development, Tourism, and Technology and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 1828

The purpose and intent of this measure is to allocate transient accommodations tax revenues to the Hawaii Tourism Authority to support initiatives, in conjunction with the Hawaii Lodging and Tourism Association, to mitigate the impact of the tourism industry on community areas and requires matching funds.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawai'i Lodging and Tourism Association, and one individual. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Hawaii Tourism Authority.

Your Committees find that the tourism industry has grown exponentially throughout the years and continues to grow, with the number of visitor arrivals expected to reach 10,000,000 by 2020. While your Committees acknowledge the amount of revenue that the tourism industry brings in for Hawaii, the impacts to state infrastructure and natural resources cannot go unnoticed. Your Committees recognize that the natural beauty of Hawaii has attracted millions of visitors to its hiking trails, beaches, and parks. However, your Committees also recognize that due to the high traffic of visitors to those hiking trails, beaches, and parks, surrounding communities have been adversely affected. Your Committees believe that the residents of Hawaii are the number one priority of the State, and any negative impacts on communities affected by the tourism industry must be mitigated to ensure a pristine environment for those communities and residents of the State.

Your Committees have amended this measure by:

- (1) Deleting language that would have required the Hawaii Lodging and Tourism Association to work in conjunction with the Hawaii Tourism Authority and requiring, instead, that the Hawaii Lodging and Tourism Association provide input on any initiatives to mitigate the negative impacts on communities caused by tourism;
- (2) Allocating funds to the Na Ala Hele program from the transient accommodations tax revenue to:
 - (A) Improve access to and maintain state-controlled recreational trails statewide; and
 - (B) Develop and implement a public awareness campaign that promotes hiker safety and hiker etiquette education and outreach;
- (3) Inserting an appropriation of an unspecified amount to the fire departments of the counties of Maui, Kauai, Hawaii, and the City and County of Honolulu to support search and rescue missions of stranded hikers lost on hiking trails; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note that although the appropriation amounts are unspecified, the Department of Land and Natural Resources has supported an appropriation of \$2,000,000 to improve the Na Ala Hele trail maintenance, safety, and education program, and the counties have previously requested an appropriation of \$500,000 to be divided among the counties to support search and rescue missions of stranded hikers lost on hiking trails.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1828, H.D. 3, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1828, H.D. 3, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 5. Noes, none. Excused, none.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 3210 (Joint) Water and Land and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2259

The purpose and intent of this measure is to:

- (1) Prohibit the holding of a marine event without a permit from the Department of Land and Natural Resources or prior authorization by the United States Coast Guard;
- (2) Allow individuals to apply for marine event permits up to one year in advance of the date of a proposed marine event; and
- (3) Require the Department of Land and Natural Resources to adopt rules to mitigate the hazards posed by vessels, thrill craft, drones, and other means used by spectators to observe or record regattas, marine parades, surfing contests, and other marine events in the waters of the State.

Your Committees received testimony in support of this measure from two individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that marine events often require more than one year of advanced planning in light of the many responsibilities involved. Event organizers experience hardships when the Department of Land and Natural Resources is unable to approve or deny permit applications well in advance of proposed events. Many individuals have expressed interest in applying to the Department of Land and Natural Resources for marine event permits up to one year in advance of an event, and this measure establishes a permit application system to enable individuals to do so.

Your Committees further find that regattas, marine parades, surfing contests, and other marine events in the State are immensely popular. During these events, ocean conditions can be extremely hazardous to participants and spectators. Furthermore, spectators may use vessels, thrill craft, drones, and other means to observe and capture photos and videos of these events, which may interfere with the event, infringe upon an event organizer's exclusive use of areas designated for use during the event, and put event participants

at risk of serious injury or death. This measure requires the Department of Land and Natural Resources to adopt rules to mitigate such hazards.

Your Committees have amended this measure by:

- (1) Adopting language suggested by the Department of Land and Natural Resources that:
 - (A) Requires a marine event permit applicant to submit valid insurance and proof of approval from the land owner;
 - (B) Requires the Department of Land and Natural Resources to use its best efforts to grant or deny a marine event permit within thirty days of receiving a marine event permit application, rather than requiring the Department to grant or deny the permit within that time frame;
 - (C) Establishes a process to request for a cancellation of a marine event permit; and
 - (D) Authorizes, rather than requires, the Department of Land and Natural Resources to adopt rules for marine event permits;
- (2) Requiring the Department of Land and Natural Resources to set a fee for the issuance of marine event permits and collect a \$250 nonrefundable deposit, which shall be retained by the Department if the marine event permit is cancelled within sixty days of the scheduled date of the marine event;
- (3) Clarifying that the Department of Land and Natural Resources may issue a marine event permit for the exclusive use of state waters, which shall be subject to a higher fee;
- (4) Authorizing, rather than requiring, the Department of Land and Natural Resources to adopt rules to mitigate hazards to event spectators; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2259, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2259, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 3. Noes, none. Excused, 2 (Gabbard, Inouye).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 3211 Labor on Gov. Msg. No. 563

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT SYSTEM

G.M. No. 563 WESLEY MACHIDA, for a term to expire 01-01-2019

Your Committee reviewed the personal history, resume, and statement submitted by Wesley Machida for service on the Board of Trustees of the Employees' Retirement System.

Your Committee received testimony in support of the nomination for the appointment of Mr. Machida from the Office of the Governor, Department of Accounting and General Services, Department of Budget and Finance, Department of Human Resources Development, Employees' Retirement System, and eight individuals.

Upon review of the testimony, your Committee finds that Mr. Machida's experience in providing financial services, and extensive background and knowledge qualify him for appointment to the Board of Trustees of the Employees' Retirement System as a citizen of the State with at least three years of experience providing professional services. Mr. Machida has served as the Hawaii Director of Finance, where he developed the annual \$13.5 billion statewide budget, and as Executive Director of the Employees' Retirement System, where he oversaw the \$14 billion public pension fund. Mr. Machida also has over thirty years of experience with government financial services, including accounting, auditing, administration, and management. Your Committee finds that Mr. Machida brings to the Board extensive expertise in working to assist the more than 125,000 members, retirees, and beneficiaries, and their families, of the Employees' Retirement System, and is committed to fulfilling the Board's fiduciary duty to guide and protect the health of the System.

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

SCRep. 3212 Ways and Means on S.C.R. No. 29

The purpose and intent of this measure is to request the Auditor to conduct a financial audit of the University of Hawaii's activities related to Mauna Kea.

Specifically, this measure requests the Auditor to conduct a financial audit on the following as they relate to Mauna Kea:

- (1) The University of Hawaii System;
- (2) The University of Hawaii Institute for Astronomy;
- (3) The Research Corporation of the University of Hawaii;

- (4) The Office of Mauna Kea Management;
- (5) The Mauna Kea observatories and the Mauna Kea observatories support services;
- (6) The Mauna Kea Visitor Information Station;
- (7) Financial expenditures from the University of Hawaii research and training revolving fund;
- (8) All contracts or professional services;
- (9) Various aspects of Mauna Kea comprehensive management plan;
- (10) The negotiation process for telescope subleases;
- (11) Opportunity costs attributed to the failure of the University of Hawaii to adequately balance observatory development with its public trust obligations; and
- (12) Funding sources.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs; Hoomanapono Political Action Committee; and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received written comments in opposition to this measure from the University of Hawaii System.

The Office of the Auditor submitted written comments on this measure.

Your Committee finds that Mauna Kea holds unique and significant spiritual, cultural, historical, and scientific value to Hawaii and the world. Your Committee further finds that the activities of the University of Hawaii related to Mauna Kea have been the subject of scrutiny by certain members of the public and that an independent audit of these activities will help to provide a balanced and accurate assessment of the University's stewardship of the area.

Your Committee has amended this measure by replacing the substantive contents of the audit with the audit subjects contained in Senate Bill No. 757, Senate Draft 2, Regular Session of 2018.

Specifically, your Committee has amended the title and body of the measure by requesting the Auditor to conduct the following as they relate to the University of Hawaii's activities on Mauna Kea:

- (1) A financial audit of the Office of Mauna Kea Management;
- (2) A performance audit of the Research Corporation of the University of Hawaii;
- (3) A performance audit of certain aspects of the legal affairs and university general counsel office of the University of Hawaii System; and
- (4) An organizational management structure audit of the entities that have jurisdictional authority of Mauna Kea.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 29, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 29, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Keith-Agaran, Shimabukuro).

SCRep. 3213 Ways and Means on S.R. No. 14

The purpose and intent of this measure is to urge the Department of Taxation to study the impact to the State of the recent changes to federal income tax law.

Your Committee received testimony in support of this measure from IMUAlliance and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee finds that, in light of the significant recent amendments to federal tax law, the Department of Taxation should be urged to determine the impact to the State from these changes, including determining any fiscal impact on state tax revenue and identifying provisions of state law that may need to be conformed to new federal provisions.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 14 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Keith-Agaran, Shimabukuro).

SCRep. 3214 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 40

The purpose and intent of this measure is to request the state Department of Defense to convene an emergency management agency review task force to:

- (1) Review the Hawaii Emergency Management Agency's operations with respect to notifying the public of imminent ballistic missile attacks;
- (2) Consider whether the Hawaii Emergency Management Agency should be the entity that notifies the public of imminent ballistic missile attacks; and

- (3) Evaluate whether the Hawaii Emergency Management Agency is capable of notifying the public of imminent ballistic missile attacks.

Your Committee received testimony in support of this measure from the Hawaii Emergency Management Agency, Disability and Communication Access Board, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual. Your Committee received comments on this measure from the State Emergency Communications Committee and Hawaii Association of Broadcasters, Inc.

Your Committee finds that on January 13, 2018, the Hawaii Emergency Management Agency issued a ballistic missile alert that incorrectly informed mobile phone users across the State that Hawaii was under a missile attack. Although officials in the Hawaii Emergency Management Agency and other governmental agencies almost immediately knew that the alert was false, mobile users were not informed the alert was false until approximately forty minutes after the ballistic missile alert was broadcasted.

Your Committee further finds that on January 30, 2018, the Governor and Adjutant General released the results of an internal investigative memorandum regarding the false ballistic missile alert. The memorandum stated that various factors, such as insufficient management controls and poor computer software design, contributed to the dissemination of the false ballistic missile alert and delay in the dissemination of the correction message. Your Committee finds that the false alert provides an opportunity to evaluate existing procedures and protocols and identify solutions.

Your Committee has amended this measure by:

- (1) Adding the Executive Director of the Disability and Communication Access Board, or the Executive Director's designee, as a member of the emergency management agency review task force;
- (2) Adding the Chair of the State Emergency Communications Committee, or the Chair's designee, as a member of the emergency management agency review task force;
- (3) Adding the President of The Hawaii Association of Broadcasters, Inc., or the President's designee, as a member of the emergency management agency review task force; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 40, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 40, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Ihara).

SCRep. 3215 Ways and Means on S.C.R. No. 30

The purpose and intent of this measure is to urge the Department of Taxation to study the impact of recent changes to federal income tax law on the State's income tax law and tax revenue.

Your Committee received testimony in support of this measure from IMUAlliance and OCC Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that, due to the significance of recent changes made to the federal tax code, the Department of Taxation should study the potential impact of those changes on the State, including impact on revenue, and consider whether any changes to state law are needed.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 30 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Keith-Agaran, Shimabukuro).

SCRep. 3216 Education on S.C.R. No. 25

The purpose and intent of this measure is to request the Department of Education to report to the Legislature on the status of physical education in Hawaii's public schools.

Your Committee received testimony in support of this measure from the Department of Education, Hawai'i Public Health Institute, American Heart Association, Pioneering Healthier Communities of Honolulu, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that physical education programs are critical to providing students with the skills necessary to achieve and maintain life-long physical fitness. Regular physical activity and physical fitness can play a significant role in promoting health and preventing chronic illnesses such as heart disease, cancer, type 2 diabetes, and osteoporosis.

Your Committee further finds that the Hawaii Content and Performance Standards III for physical education were based on national standards in 2005, but have not been updated since then and do not align with the National Physical Education Standards developed in 2013. Because of the importance and benefits of physical education for students, the State wants to ensure that Hawaii's public schools are maintaining national standards and best-practices for physical education.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 25 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Espero, Kim).

SCRep. 3217 Agriculture and Environment on S.C.R. No. 57

The purpose and intent of this measure is to urge the Board of Agriculture to review procedures relating to aquaculture importation permit applications and to submit a report to the Legislature.

Your Committee received testimony in support of this measure from Kohala Mountain Fish Company, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and Mari's Gardens. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that local farmers and others are ready and able to bring additional aquaculture to the State that can assist the State in achieving local food production and sustainability goals; however, there are reports of several incidents in which those seeking to import aquaculture into the State have not received permits from the Department of Agriculture within the maximum time periods or within a reasonable amount of time after the expiration of the maximum time periods established in the Hawaii Administrative Rules. The intent of this measure is to obtain a more complete set of facts and circumstances regarding reported failures to adhere to the required time periods in order to determine an appropriate, well-informed solution.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 57 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 3218 Agriculture and Environment on S.C.R. No. 68

The purpose and intent of this measure is to request the Environmental Council to submit a report to the Legislature on the process of revising environmental impact statement rules, title 11, chapter 200, Hawaii Administrative Rules.

Your Committee received testimony in support of this measure from the Office of Environmental Quality Control and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the Environmental Council serves as a liaison between the Director of Health and the public on matters concerning ecology and environmental quality, monitors the progress of state, county, and federal agencies in achieving the State's environmental goals and policies, and publishes its findings in its annual reports. Your Committee further finds that the Environmental Council's administrative rules were last revised in 1996. The Environmental Council, with assistance from University of Hawaii law students, met throughout 2017 to prepare revised rules and will soon hold public hearings pursuant to chapter 91, Hawaii Revised Statutes, on the working draft version 0.4 of the proposed revised rules.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 68 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 3219 Agriculture and Environment on S.R. No. 28

The purpose and intent of this measure is to urge the Board of Agriculture to review procedures relating to aquaculture importation permit applications and to submit a report to the Legislature.

Your Committee received testimony in support of this measure from Kohala Mountain Fish Company, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and Mari's Gardens. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that local farmers and others are ready and able to bring additional aquaculture to the State that can assist the State in achieving local food production and sustainability goals; however, there are reports of several incidents in which those seeking to import aquaculture into the State have not received permits from the Department of Agriculture within the maximum time periods or within a reasonable amount of time after the expiration of the maximum time periods established in the Hawaii Administrative Rules. The intent of this measure is to obtain a more complete set of facts and circumstances regarding reported failures to adhere to the required time periods in order to determine an appropriate, well-informed solution.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 28 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 3220 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 51

The purpose and intent of this measure is to request the Governor to proclaim the State of Hawaii as a Purple Heart State in honor of the service and sacrifice of our nation's uniformed armed services personnel who were wounded or killed while protecting our freedom.

Your Committee received testimony in support of this measure from the Department of Defense; Military Order of the Purple Heart; Rainbow Chapter 483, Military Order of the Purple Heart; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and three individuals.

Your Committee finds that the contributions and sacrifices of the members of the military from Hawaii have been vital in maintaining the freedoms and way of life enjoyed by our citizens. The Purple Heart Medal is a United States military decoration awarded in the name of the President of the United States to those military service personnel who are killed or wounded while serving. Your Committee finds that many citizens of our community have earned the Purple Heart Medal as a result of being wounded while engaging in combat with an enemy force, a singularly meritorious act of essential service. Therefore, your Committee finds that it is important to demonstrate proper admiration and appreciation for those who serve our country in the armed forces, particularly those service members who are killed or wounded while serving. Accordingly, this measure requests the Governor to proclaim Hawaii as a Purple Heart State.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 51 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 3221 Education on S.C.R. No. 13

The purpose and intent of this measure is to request the Department of Education to convene a working group to review afterschool programs in Hawaii's public schools and to establish an afterschool program advisory council.

Your Committee received testimony in support of this measure from the Department of Education, American Heart Association, Hawai'i Afterschool Alliance, Pioneering Healthier Communities of Honolulu, Hawaii Youth Services Network, HE'E Coalition, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and Parents and Children Together. Your Committee received comments on this measure from the Department of Human Services and Office of Youth Services.

Your Committee finds that afterschool programs are effective because they enrich students' experiences outside of school, while also improving their attendance, grades, and behavior in school and at the same time allow working parents to continue working during afterschool hours. At a time when middle- and low-income families and communities are struggling financially and students are falling behind academically, afterschool programs are needed now more than ever.

Your Committee further finds that House Concurrent Resolution No. 137, S.D. 2, Regular Session of 2016, requested the Department of Education to convene a working group with various stakeholders to review afterschool programs in Hawaii's public middle and intermediate schools and report its findings and recommendations to the 2017 Legislature. Because quality afterschool programs generate significant returns on investment for society as a whole, it is important for the working group to continue to meet to further its work.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 13, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 13, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Espero, Kim).

SCRep. 3222 Education on S.R. No. 9

The purpose and intent of this measure is to request the Department of Education to convene a working group to review afterschool programs in Hawaii's public schools and to establish an afterschool program advisory council.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, HE'E Coalition, Hawai'i Afterschool Alliance, Pioneering Healthier Communities of Honolulu, and Hawaii Youth Services Network. Your Committee received comments on this measure from the Department of Human Services and Office of Youth Services.

Your Committee finds that afterschool programs are effective because they enrich students' experiences outside of school, while also improving their attendance, grades, and behavior in school and at the same time allow working parents to continue working during afterschool hours. At a time when middle- and low-income families and communities are struggling financially and students are falling behind academically, afterschool programs are needed now more than ever.

Your Committee further finds that House Concurrent Resolution No. 137, S.D. 2, Regular Session of 2016, requested the Department of Education to convene a working group with various stakeholders to review afterschool programs in Hawaii's public middle and intermediate schools and report its findings and recommendations to the 2017 Legislature. Because quality afterschool programs generate significant returns on investment for society as a whole, it is important for the working group to continue to meet to further its work.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 9, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 9, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Espero, Kim).

SCRep. 3223 Agriculture and Environment on S.C.R. No. 59

The purpose and intent of this measure is to urge the Agribusiness Development Corporation to start a farm apprenticeship program.

Your Committee received testimony in support of this measure from the Agribusiness Development Corporation, Department of Agriculture, University of Hawaii System, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Kulahaven Farms LLC, Hawaii Farmers Union United, and ten individuals. Your Committee received testimony in opposition to this measure from the Hawaii Cattlemen's Council, Inc.

Your Committee finds that activities on Agribusiness Development Corporation (ADC) lands must meet the current standards for agriculture and food, including compliance with United States Department of Agriculture Good Agricultural Practices and Good Handling Practices, United States Food and Drug Administration's Food Safety Modernization Act, Migrant and Seasonal Agricultural Worker Protection Act, and United States Environmental Protection Agency's Agricultural Worker Protection Standard safety best practices. Your Committee further finds that many farmers lack the fiscal resources, farming experience, business acumen, and English language skills necessary to navigate such federal regulations, and the ADC is not equipped for constant oversight and vigilance to manage a diverse population of farmers. Your Committee believes that establishment of a farm apprenticeship program under the ADC will provide training and learning opportunities to assist Hawaii's farmers and agricultural community at large.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 59 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 3224 Agriculture and Environment on S.R. No. 30

The purpose and intent of this measure is to urge the Agribusiness Development Corporation to start a farm apprenticeship program.

Your Committee received testimony in support of this measure from the Agribusiness Development Corporation, Department of Agriculture, University of Hawaii System, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Kulahaven Farms LLC, Hawaii Farmers Union United, and ten individuals. Your Committee received testimony in opposition to this measure from the Hawaii Cattlemen's Council, Inc.

Your Committee finds that activities on Agribusiness Development Corporation (ADC) lands must meet the current standards for agriculture and food, including compliance with United States Department of Agriculture Good Agricultural Practices and Good Handling Practices, United States Food and Drug Administration's Food Safety Modernization Act, Migrant and Seasonal Agricultural Worker Protection Act, and United States Environmental Protection Agency's Agricultural Worker Protection Standard safety best practices. Your Committee further finds that many farmers lack the fiscal resources, farming experience, business acumen, and English language skills necessary to navigate such federal regulations, and the ADC is not equipped for constant oversight and vigilance to manage a diverse population of farmers. Your Committee believes that establishment of a farm apprenticeship program under the ADC will provide training and learning opportunities to assist Hawaii's farmers and agricultural community at large.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 30 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 3225 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 140

The purpose and intent of this measure is to request the State to strengthen its emergency preparedness by repositioning portions of its emergency medical supply caches from Oahu to the neighbor islands.

Your Committee did not receive any testimony on this measure.

Your Committee finds that appropriate emergency preparedness by the State is essential for securing public welfare. Your Committee also finds that the State's emergency medical supply caches are centralized on the island of Oahu. While this setup is cost-effective, the neighbor islands may not be able to accommodate displaced residents or receive needed supplies of their own if a major disaster were to decimate Oahu. Moreover, your Committee finds that federal funding for the expansion and maintenance of existing medical supply caches on the neighbor islands was cut earlier this year. Therefore, your Committee finds that it is in the best interest of the State to have a contingency plan in the event a disaster decimates Oahu or prevents the transportation of emergency medical supply caches to the neighbor islands.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 140 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 3226 Public Safety, Intergovernmental, and Military Affairs on S.R. No. 90

The purpose and intent of this measure is to request the State to strengthen its emergency preparedness by repositioning portions of its emergency medical supply caches from Oahu to the neighbor islands.

Your Committee received testimony in support of this measure from Ho'omana Pono, LLC.

Your Committee finds that appropriate emergency preparedness by the State is essential for securing public welfare. Your Committee also finds that the State's emergency medical supply caches are centralized on the island of Oahu. While this setup is cost-effective, the neighbor islands may not be able to accommodate displaced residents or receive needed supplies of their own if a major disaster were to decimate Oahu. Moreover, your Committee finds that federal funding for the expansion and maintenance of existing medical supply caches on the neighbor islands was cut earlier this year. Therefore, your Committee finds that it is in the best interest of the State to have a contingency plan in the event a disaster decimates Oahu or prevents the transportation of emergency medical supply caches to the neighbor islands.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 90 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 3227 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 56

The purpose and intent of this measure is to urge each of the county councils to adopt supplemental rules pursuant to section 514B-6, Hawaii Revised Statutes, to ensure the conformance of condominium property regimes to the purposes and provisions of county zoning and development ordinances and chapter 205, Hawaii Revised Statutes, including section 205-4.6, Hawaii Revised Statutes, where applicable.

Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that expanded development of agricultural lands through the existing condominium property regime process inhibits a county's ability to plan, regulate, and enforce its agricultural plans, goals, and infrastructure services. Your Committee also finds that section 205-4.5(f), Hawaii Revised Statutes, specifically allows agricultural land developers to bypass county subdivision requirements under certain conditions, which can promote the condominium property regime process over the county subdivision process. Your Committee further finds that the counties should adopt supplemental rules to ensure the conformance of condominium property regimes to the purposes and provisions of county zoning and development ordinances.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 56, as amended herein, and recommends that it be referred to your Committee on Commerce, Consumer Protection, and Health, in the form attached hereto as S.C.R. No. 56, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 3228 Public Safety, Intergovernmental, and Military Affairs on S.R. No. 27

The purpose and intent of this measure is to urge each of the county councils to adopt supplemental rules pursuant to section 514B-6, Hawaii Revised Statutes, to ensure the conformance of condominium property regimes to the purposes and provisions of county zoning and development ordinances and chapter 205, Hawaii Revised Statutes, including section 205-4.6, Hawaii Revised Statutes, where applicable.

Your Committee received testimony in opposition to this measure from the Hawaii Cattlemen's Council, Inc. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that expanded development of agricultural lands through the existing condominium property regime process inhibits a county's ability to plan, regulate, and enforce its agricultural plans, goals, and infrastructure services. Your Committee also finds that section 205-4.5(f), Hawaii Revised Statutes, specifically allows agricultural land developers to bypass county subdivision requirements under certain conditions, which can promote the condominium property regime process over the county subdivision process. Your Committee further finds that the counties should adopt supplemental rules to ensure the conformance of condominium property regimes to the purposes and provisions of county zoning and development ordinances.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 27, as amended herein, and recommends that it be referred to your Committee on Commerce, Consumer Protection, and Health, in the form attached hereto as S.R. No. 27, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 3229 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 66

The purpose and intent of this measure is to request that the United States Pacific Command develop and implement a warning system for military-related emergencies affecting the State and be the sole agency responsible for issuing public alerts or warnings relating to military matters affecting the State.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that to ensure the protection and safety of the State's citizens, it is necessary that citizens be properly and timely informed of any actual military-related threat. Under existing law, the Hawaii Emergency Management Agency is the agency charged with issuing public alerts and warnings in cases of emergency or disaster. However, the events of January 13, 2018, in which the Hawaii Emergency Management Agency issued a false incoming ballistic missile alert warning that caused widespread distress and panic across the State revealed that the Agency has the capability and authority to issue such a warning despite lacking the necessary resources to detect and confirm that such a military-related threat actually exists. Your Committee finds that it is essential to correct this flaw in the State's emergency alert and warning system. Accordingly, this measure requests that the United States Pacific Command be the sole agency responsible for issuing public alerts or warnings relating to military matters affecting the State.

Your Committee has amended this measure by making a technical, nonsubstantive amendment to its title for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 66, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 66, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 3230 Public Safety, Intergovernmental, and Military Affairs on S.R. No. 36

The purpose and intent of this measure is to request that the United States Pacific Command develop and implement a warning system for military-related emergencies affecting the State and be the sole agency responsible for issuing public alerts or warnings relating to military matters affecting the State.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and Ho'omana Pono, LLC.

Your Committee finds that to ensure the protection and safety of the State's citizens, it is necessary that citizens be properly and timely informed of any actual military-related threat. Under existing law, the Hawaii Emergency Management Agency is the agency charged with issuing public alerts and warnings in cases of emergency or disaster. However, the events of January 13, 2018, in which the Hawaii Emergency Management Agency issued a false incoming ballistic missile alert warning that caused widespread distress and panic across the State revealed that the Agency has the capability and authority to issue such a warning despite lacking the necessary resources to detect and confirm that such a military-related threat actually exists. Your Committee finds that it is essential to correct this flaw in the State's emergency alert and warning system. Accordingly, this measure requests that the United States Pacific Command be the sole agency responsible for issuing public alerts or warnings relating to military matters affecting the State.

Your Committee has amended this measure by making a technical, nonsubstantive amendment to its title for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 36, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 36, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 3231 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 52

The purpose and intent of this measure is to:

- (1) Request the State to include in its list of first responders a network of organizations contracted to immediately provide food, beverages, and ice to residents during a natural disaster;
- (2) Request the Hawaii Emergency Management Agency to develop a list of organizations willing to contract with the State to immediately provide food, beverages, and ice to residents during a natural disaster; and
- (3) Request the Hawaii Emergency Management Agency to submit the list of organizations with the Agency's findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that in the event of a natural disaster, Hawaii's residents need a recommended fourteen days' worth of adequate food, water, medication, and other necessities. Your Committee also finds that because Hawaii is an island state located in the middle of the Pacific Ocean, the occurrence of a major natural disaster may make an adequate supply of food and other necessary supplies inaccessible. Your Committee further finds that it is in the best interest of the State to proactively prepare for natural disasters, including by securing a strong network of relief supply organizations to ensure that impacted residents have access to food, water, and supplies. Accordingly, this measure requests the State and the Hawaii Emergency Management Agency to develop a network of organizations that can be contracted to immediately provide food, beverages, and ice to residents during a natural disaster.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 52 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 3232 Public Safety, Intergovernmental, and Military Affairs on S.R. No. 23

The purpose and intent of this measure is to:

- (1) Request the State to include in its list of first responders a network of organizations contracted to immediately provide food, beverages, and ice to residents during a natural disaster;
- (2) Request the Hawaii Emergency Management Agency to develop a list of organizations willing to contract with the State to immediately provide food, beverages, and ice to residents during a natural disaster; and
- (3) Request the Hawaii Emergency Management Agency to submit the list of organizations with the Agency's findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that in the event of a natural disaster, Hawaii's residents need a recommended fourteen days' worth of adequate food, water, medication, and other necessities. Your Committee also finds that because Hawaii is an island state located in the middle of the Pacific Ocean, the occurrence of a major natural disaster may make an adequate supply of food and other necessary supplies inaccessible. Your Committee further finds that it is in the best interest of the State to proactively prepare for natural disasters, including by securing a strong network of relief supply organizations to ensure that impacted residents have access to food, water, and supplies. Accordingly, this measure requests the State and the Hawaii Emergency Management Agency to develop a network of organizations that can be contracted to immediately provide food, beverages, and ice to residents during a natural disaster.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 23 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 3233 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary on S.C.R. No. 99

The purpose and intent of this measure is to urge the County Council of the County of Hawaii to exercise its power of eminent domain to condemn Naalehu Theater to preserve the theater's historic legacy.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that it is important to preserve historic landmarks and buildings in the State. The Naalehu Theater on the island of Hawaii is the southernmost theater in the country and was constructed in 1925 by the Hutchinson Sugar Company. Through the years, the theater has hosted live performances, community events, and movie screenings for the public. However, your Committees find that the theater, which is privately owned, has fallen into disrepair and that the current owner has not acted to repair the building. Additionally, the owner has respectfully rejected considerations for listing the property on the Hawaii Register of Historic Places and National Register of Historic Places by the Hawaii Historic Places Review Board, which if accepted would qualify the theater for financial resources and grants, media exposure, and a twenty percent federal reimbursement for approved repairs. Accordingly, your Committees urge the Hawaii County Council to take appropriate actions to condemn the theater so that its historic legacy might be preserved.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Judiciary that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 99 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.
Judiciary: Ayes, 5. Noes, none. Excused, none.

SCRep. 3234 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary on S.R. No. 58

The purpose and intent of this measure is to urge the County Council of the County of Hawaii to exercise its power of eminent domain to condemn Naalehu Theater to preserve the theater's historic legacy.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that it is important to preserve historic landmarks and buildings in the State. The Naalehu Theater on the island of Hawaii is the southernmost theater in the country and was constructed in 1925 by the Hutchinson Sugar Company. Through the years, the theater has hosted live performances, community events, and movie screenings for the public. However, your Committees find that the theater, which is privately owned, has fallen into disrepair and that the current owner has not acted to repair the building. Additionally, the owner has respectfully rejected considerations for listing the property on the Hawaii Register of Historic Places and National Register of Historic Places by the Hawaii Historic Places Review Board, which if accepted would qualify the theater for financial resources and grants, media exposure, and a twenty percent federal reimbursement for approved repairs. Accordingly, your Committees urge the Hawaii County Council to take appropriate actions to condemn the theater so that its historic legacy might be preserved.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Judiciary that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 58 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

Judiciary: Ayes, 5. Noes, none. Excused, none.

SCRep. 3235 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary on S.C.R. No. 118

The purpose and intent of this measure is to urge the United States Congress to support and fund the scientific study of firearms violence and prevention.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and four individuals. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that gun violence is a serious public health concern affecting many individuals across the State and country. Your Committees further find that critical research into firearms violence would assist policymakers in better understanding the scale and causes of firearms violence and identify successful methods to reduce or prevent firearms violence. Therefore, your Committees find that the United States Congress should support and fund the scientific study of firearms violence and prevention.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Judiciary that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 118 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

Judiciary: Ayes, 5. Noes, none. Excused, none.

SCRep. 3236 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary on S.R. No. 75

The purpose and intent of this measure is to urge the United States Congress to support and fund the scientific study of firearms violence and prevention.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and one individual. Your Committees received testimony in opposition to this measure from the Institute for Rational and Evidence-based Legislation and one individual.

Your Committees find that gun violence is a serious public health concern affecting many individuals across the State and country. Your Committees further find that critical research into firearms violence would assist policymakers in better understanding the scale and causes of firearms violence and identify successful methods to reduce or prevent firearms violence. Therefore, your Committees find that the United States Congress should support and fund the scientific study of firearms violence and prevention.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Judiciary that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 75 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

Judiciary: Ayes, 5. Noes, none. Excused, none.

SCRep. 3237 (Joint) Economic Development, Tourism, and Technology and Judiciary on S.C.R. No. 147

The purpose and intent of this measure is to request the Hawaii Tourism Authority to send a letter to the United States and International Olympic Committees and Tokyo Organizing Committee of the Olympic and Paralympic Games stating that Hawaii is the ideal location for sports training for athletes for the 2020 Tokyo Olympics and Paralympic Games.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from the Hawaii Tourism Authority.

Your Committees find that sporting events in Hawaii have generated revenue for the State through advertisements, promotions, endorsements, merchandising, and more. In 2016, sports tourism in Hawaii was projected to bring in roughly \$144,000,000 in revenue from various sporting events hosted in Hawaii. Your Committees note that one of the Hawaii Tourism Authority's objectives is to promote sports tourism throughout the State.

Your Committees also find that Hawaii is in a prime location and can act as a hub for those traveling to Tokyo, Japan, for the 2020 Olympics and Paralympic Games or training for the Games. Your Committees note the newly introduced sports for the 2020 Olympic Games include baseball and softball, sports climbing, karate, skateboarding, and surfing, and believe that Hawaii has appropriate facilities and venues for training in these sports. Your Committees find that the 2020 Tokyo Olympic and Paralympic Games pose a great opportunity for Hawaii to work with one of its closest international partners in preparing for a global event.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Judiciary that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 147 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

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

SCRep. 3238 (Joint) Economic Development, Tourism, and Technology and Judiciary on S.R. No. 93

The purpose and intent of this measure is to request the Hawaii Tourism Authority to send a letter to the United States and International Olympic Committees and Tokyo Organizing Committee of the Olympic and Paralympic Games stating that Hawaii is the ideal location for sports training for athletes for the 2020 Tokyo Olympics and Paralympic Games.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from the Hawaii Tourism Authority.

Your Committees find that sporting events in Hawaii have generated revenue for the State through advertisements, promotions, endorsements, merchandising, and more. In 2016, sports tourism in Hawaii was projected to bring in roughly \$144,000,000 in revenue from various sporting events hosted in Hawaii. Your Committees note that one of the Hawaii Tourism Authority's objectives is to promote sports tourism throughout the State.

Your Committees also find that Hawaii is in a prime location and can act as a hub for those traveling to Tokyo, Japan, for the 2020 Olympics and Paralympic Games or training for the Games. Your Committees note the newly introduced sports for the 2020 Olympic Games include baseball and softball, sports climbing, karate, skateboarding, and surfing, and believe that Hawaii has appropriate facilities and venues for training in these sports. Your Committees find that the 2020 Tokyo Olympic and Paralympic Games pose a great opportunity for Hawaii to work with one of its closest international partners in preparing for a global event.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Judiciary that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 93 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

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

SCRep. 3239 (Joint) Economic Development, Tourism, and Technology and Water and Land on S.C.R. No. 20

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism to identify a potential location on state-owned land on Oahu for a race track facility and to establish a public-private partnership to build the race track facility on Oahu.

Your Committees received testimony in support of this measure from the Ho'omanapono Political Action Committee and two individuals. Your Committees received testimony in opposition to this measure from two individuals. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committees find that the Hawaii Raceway Park, Hawaii's first racetrack, opened in 1962 and closed down in 2006. The Hawaii Raceway Park provided residents an opportunity to participate in motor sports, from drag racing to go-karting, under close supervision. Your Committees further find that racing enthusiasts have been without a proper facility to safely enjoy racing and have instead been racing on the open streets of Hawaii, thereby posing a threat to the public. Your Committees believe that a proper racing facility on Oahu would ensure the safety of the public by preventing street racing on public roads.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Water and Land that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 20 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3240 (Joint) Economic Development, Tourism, and Technology and Education on S.C.R. No. 189

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism to study the feasibility of a state lottery to fund Hawaii's public education.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from one individual.

Your Committees find that Hawaii is unique compared to the other states as public education is a responsibility of the State, as opposed to a county or local level jurisdiction. Your Committees further find that because jurisdiction for public education is with the State, funding for public education is primarily sourced from the general fund and is often inadequate as evidenced by Hawaii's ranking as lowest in the nation for education expenditures. Your Committees believe that the means of funding public education must be expanded in order to support and better prepare students to enter the workforce or pursue secondary education. Your Committees note that forty-four states utilize state lotteries to fund a certain amount of public education. Your Committees believe that these states serve as an example and demonstrate that a state lottery has the potential to fund public education in Hawaii and should be explored as an option.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Education that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 189 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3; Ayes with Reservations (Taniguchi). Noes, none. Excused, 2 (Baker, Thielen).

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

SCRep. 3241 (Joint) Economic Development, Tourism, and Technology and Education on S.R. No. 137

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism to study the feasibility of a state lottery to fund Hawaii's public education.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and one individual. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that Hawaii is unique compared to the other states as public education is a responsibility of the State, as opposed to a county or local level jurisdiction. Your Committees further find that because jurisdiction for public education is with the State, funding for public education is primarily sourced from the general fund and is often inadequate as evidenced by Hawaii's ranking as lowest in the nation for education expenditures. Your Committees believe that the means of funding public education must be expanded in order to support and better prepare students to enter the workforce or pursue secondary education. Your Committees note that forty-four states utilize state lotteries to fund a certain amount of public education. Your Committees believe that these states serve as an example and demonstrate that a state lottery has the potential to fund public education in Hawaii and should be explored as an option.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Education that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 137 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3; Ayes with Reservations (Taniguchi). Noes, none. Excused, 2 (Baker, Thielen).

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

SCRep. 3242 (Joint) Public Safety, Intergovernmental, and Military Affairs and Education on S.C.R. No. 65

The purpose and intent of this measure is to request that the Honolulu Police Department report on the costs of funding on-campus school resource officers, including but not limited to manpower, number of officers necessary, and any other costs required for officers to be stationed in intermediate and high schools on the island of Oahu, and provide a report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received testimony in opposition to this measure from the ACLU of Hawai'i and one individual. Your Committees received comments on this measure from one individual.

Your Committees find that there has been a disturbing increase in school violence across the nation in recent years. Your Committees further find that in an attempt to better secure and protect schools, some states have been stationing local law enforcement officers, known as school resource officers, in schools. School resource officers are well-trained officers who are skilled in handling armed weaponry and specifically stationed in schools to prevent any crime or gang related activity and address any issue that could threaten the safety of the students and faculty. Your Committees further find that over the years federal funding to maintain school resource officers has been depleted. Despite this depletion in federal funds, your Committees find that schools in the counties of Hawaii, Kauai, and Maui have maintained school resource officers in certain schools. Your Committees find that it is important that schools on Oahu determine the resources necessary to similarly provide school resource officers in Oahu schools.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Education that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 65 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Ihara).

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

SCRep. 3243 (Joint) Public Safety, Intergovernmental, and Military Affairs and Education on S.R. No. 35

The purpose and intent of this measure is to request that the Honolulu Police Department report on the costs of funding on-campus school resource officers, including but not limited to manpower, number of officers necessary, and any other costs required for officers to be stationed in intermediate and high schools on the island of Oahu, and provide a report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and two individuals. Your Committees received testimony in opposition to this measure from the Institute for Rational and Evidence-Based Legislation and ACLU of Hawai'i. Your Committees received comments on this measure from one individual.

Your Committees find that there has been a disturbing increase in school violence across the nation in recent years. Your Committees further find that in an attempt to better secure and protect schools, some states have been stationing local law enforcement officers, known as school resource officers, in schools. School resource officers are well-trained officers who are skilled in handling armed weaponry and specifically stationed in schools to prevent any crime or gang related activity and address any issue that could threaten the safety of the students and faculty. Your Committees further find that over the years federal funding to maintain school resource officers has been depleted. Despite this depletion in federal funds, your Committees find that schools in the counties of

Hawaii, Kauai, and Maui have maintained school resource officers in certain schools. Your Committees find that it is important that schools on Oahu determine the resources necessary to similarly provide school resource officers in Oahu schools.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Education that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 35 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Ihara).

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

SCRep. 3244 (Joint) Education and Economic Development, Tourism, and Technology on S.C.R. No. 159

The purpose and intent of this measure is to request the Department of Education to convene a computer science task force to review computer science programs in Hawaii's public schools and to support, strengthen, and establish partnerships among educational institutions, industries, and businesses to improve computer science programs.

Your Committees received testimony in support of this measure from the Department of Education, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual. Your Committees received comments on this measure from the University of Hawai'i System.

Your Committees find that computer related jobs are among the fastest growing fields of employment in the United States. According to the United States Bureau of Labor Statistics Employment Projections for 2010 to 2020, more than half of the anticipated science, technology, engineering, and mathematics jobs will be in computing. However, in 2014, only one hundred fifty-five students in Hawaii graduated with a bachelor's degree in computer science. Because students who learn computer science in high school are six times more likely to pursue a post-secondary degree in computer science, it is essential to improve computer science programs in public schools.

As affirmed by the records of votes of the members of your Committees on Education and Economic Development, Tourism, and Technology that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 159 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

SCRep. 3245 Education on S.C.R. No. 86

The purpose and intent of this measure is to request the Board of Education to redistrict students who will be living in the Koa Ridge development to the Pearl City-Waipahu complex area.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that the Koa Ridge development has started construction on three thousand five hundred new housing units in central Oahu. The development master plan includes plans for a new elementary school, but there are no plans for middle or high schools.

Your Committee further finds that Mililani Middle School is currently transitioning to a single-track calendar because of overpopulation of students at the school, a project that the Legislature has already dedicated \$23,000,000 to complete. This project would be jeopardized if redistricting of Koa Ridge would send additional students to the Leilehua-Mililani-Waialua complex area because Mililani Middle School does not have the resources for additional capacity. In addition, your Committee notes that the Board of Education should consider that Mililani High School and Waipahu High School are two of the three largest high schools in the State and are already over-capacity.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 86 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3246 Education on S.R. No. 54

The purpose and intent of this measure is to request the Board of Education to redistrict students who will be living in the Koa Ridge development to the Pearl City-Waipahu complex area.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the Koa Ridge development has started construction on three thousand five hundred new housing units in central Oahu. The development master plan includes plans for a new elementary school, but there are no plans for middle or high schools.

Your Committee further finds that Mililani Middle School is currently transitioning to a single-track calendar because of overpopulation of students at the school, a project that the Legislature has already dedicated \$23,000,000 to complete. This project would be jeopardized if redistricting of Koa Ridge would send additional students to the Leilehua-Mililani-Waialua complex area because Mililani Middle School does not have the resources for additional capacity. In addition, your Committee notes that the Board

of Education should consider that Mililani High School and Waipahu High School are two of the three largest high schools in the State and are already over-capacity.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 54 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Espero, Kim).

SCRep. 3247 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 126

The purpose and intent of this measure is to urge the Honolulu Police Department to open a police station on the North Shore of Oahu.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that it is important to maintain the safety of residents, business owners, workers, and patrons of Oahu's North Shore. Your Committee also finds that reports from North Shore residents and official reports from the Honolulu Police Department indicate that the incidence of crimes such as arson, vandalism, theft, and burglary have sharply increased in the community in recent years. Your Committee further finds that this increased crime threatens the well-being of North Shore residents and the millions of tourists that frequent the area each year. Accordingly, this measure urges the Honolulu Police Department to open a police station on the North Shore of Oahu.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 126 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 3248 Public Safety, Intergovernmental, and Military Affairs on S.R. No. 85

The purpose and intent of this measure is to urge the Honolulu Police Department to open a police station on the North Shore of Oahu.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that it is important to maintain the safety of residents, business owners, workers, and patrons of Oahu's North Shore. Your Committee also finds that reports from North Shore residents and official reports from the Honolulu Police Department indicate that the incidence of crimes such as arson, vandalism, theft, and burglary have sharply increased in the community in recent years. Your Committee further finds that this increased crime threatens the well-being of North Shore residents and the millions of tourists that frequent the area each year. Accordingly, this measure urges the Honolulu Police Department to open a police station on the North Shore of Oahu.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 85 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 3249 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 122

The purpose and intent of this measure is to urge the Mayor of the City and County of Honolulu and the Honolulu City Council to allocate more resources to the Honolulu Police Department for the purpose of increasing visible police presence in, and active patrols of, the North Shore of Oahu.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that it is important to maintain the safety of residents, business owners, workers, and patrons of Oahu's North Shore. Your Committee also finds that reports from North Shore residents and official reports from the Honolulu Police Department indicate that the incidence of crimes such as arson, vandalism, theft, and burglary have sharply increased in the community in recent years. Your Committee further finds that this increased crime threatens the well-being of North Shore residents and the millions of tourists that frequent the area. Accordingly, this measure urges that the City and County of Honolulu devote more police resources to Oahu's North Shore.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 122, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 122, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Wakai).

SCRep. 3250 Public Safety, Intergovernmental, and Military Affairs on S.R. No. 81

The purpose and intent of this measure is to urge the Mayor of the City and County of Honolulu and the Honolulu City Council to allocate more resources to the Honolulu Police Department for the purpose of increasing visible police presence in, and active patrols of, the North Shore of Oahu.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that it is important to maintain the safety of residents, business owners, workers, and patrons of Oahu's North Shore. Your Committee also finds that reports from North Shore residents and official reports from the Honolulu Police Department indicate that the incidence of crimes such as arson, vandalism, theft, and burglary have sharply increased in the community in recent years. Your Committee further finds that this increased crime threatens the well-being of North Shore residents and the millions of tourists that frequent the area. Accordingly, this measure urges that the City and County of Honolulu devote more police resources to Oahu's North Shore.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 81, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 81, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3251 (Majority) Judiciary on H.B. No. 2739

The purpose and intent of this measure is to:

- (1) Allow a mentally capable adult resident of the State who is diagnosed with a medically confirmed terminal disease that will foreseeably result in death in less than six months to choose to obtain a prescription for medication that, when self-administered, will end the person's life, subject to certain conditions and safeguards;
- (2) Establish criminal sanctions for tampering with a qualified patient's request for, or rescission of a request for, a prescription for medication, or coercing a patient to request a prescription, among other acts;
- (3) Ensure that no lawful act by a qualified patient shall affect the validity of provisions in wills, contracts, or insurance or annuity policies; and
- (4) Ensure that no person or healthcare facility shall be subject to civil or criminal liability for acting in good faith compliance with this measure, while also clarifying that no health care provider or health care facility shall be under any duty to participate in providing a qualified patient with medication to end the qualified patient's life.

Your Committee received testimony in support of this measure from the Governor; LGBT Caucus of the Democratic Party of Hawaii; Hawai'i Psychological Association; Planned Parenthood Votes Northwest and Hawaii; Filipina Advocacy Network; Americans for Democratic Action; Young Progressives Demanding Action; Compassion & Choices Hawaii, including an attached petition containing over one thousand signatures of registered Hawai'i voters; Hawaii State AFL-CIO; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Hawai'i Friends of Civil Rights; Hawai'i Democratic Women's Caucus; Hawaii Alliance for Retired Americans; Ho'omanapono Political Action Committee; Death with Dignity National Center; International Longshore and Warehouse Union, Local 142; and more than one hundred thirty individuals. Your Committee received testimony in opposition to this measure from the Hawaii Family Forum; Hawaii Catholic Conference; Hawaii Self Advocacy Advisory Council; Hau'oli Home Care, LLC; Supportive Care Coalition; Concerned Women for America of Hawaii; American Nurses Association; Hawaii Federation of Republican Women; New Hope Christian Fellowship; Not Dead Yet; Association of Programs for Rural Independent Living; Disability Rights Education and Defense Fund; Association for Persons with Severe Handicaps; National Council on Independent Living; American Association of People with Disabilities; Milwaukee Guild of the Catholic Medical Association; and more than two hundred thirty individuals. Your Committee received comments on this measure from the Queen's Health Systems, Patients Rights Council, and one individual.

Your Committee finds that several other jurisdictions have enacted a medical aid in dying law that has been working in a safe and trusted manner for many years without fail. Your Committee finds that enactment of this measure can serve as a valuable option for competent persons with terminal illnesses to consider along with continued treatment, palliative care, and hospice. Your Committee agrees with your Committee on Commerce, Consumer Protection, and Health that the availability of the option of medical aid in dying gives a terminally ill individual autonomy and control, and that even if the individual chooses not to exercise the option allowed by this measure, retaining the ability to make important decisions concerning one's final days can bring great comfort.

Your Committee notes that this measure includes numerous safeguards to preclude abuse and coercion, including carefully prescribed eligibility requirements, written and oral confirmations of a qualified patient's request, and the ability for a qualified patient to rescind a request at any time. This measure also clearly states that neither age nor disability shall serve as independent determinative criteria in assessing a terminal disease. As a deterrent to malicious behavior by any persons with access to a qualified patient, this measure includes severe felony penalties for interference or coercion in the request or rescission processes.

Your Committee further finds that ending one's life by the means specified in this measure may, without sufficient statutory provisions, implicate civil or criminal liability on the part of physicians, their associates, and the facilities or institutions where they provide services. For these reasons, this measure specifies detailed immunities for persons and organizations acting in good faith compliance from liabilities arising from those complying actions. Additionally, your Committee notes that any decision to make or rescind a request to end one's life in accordance with this measure shall have no effect on the validity of any provision in a will,

contract, or other agreement of the qualified patient, nor shall it be lawful to pre-condition the sale of insurance or annuity policies based on making or not making such a decision.

Finally, your Committee notes that Hawaii in particular has a well-earned reputation among the various states for upholding and enhancing personal liberty. No healthcare provider or healthcare facility in the State will be required to undertake any of the steps allowed under this measure. That some individuals may, after personal reflection and professional consultation, wish to avail themselves of the option addressed by this measure does not diminish the values or beliefs of any other person or group of persons in Hawaii. Accordingly, your Committee finds that this measure provides an important new legal framework to afford the people of the State an additional choice regarding end-of-life care.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2739, H.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 1 (Gabbard). Excused, none.

SCRep. 3252 Judiciary on Gov. Msg. No. 638

Recommending that the Senate advise and consent to the nomination of the following:

ATTORNEY GENERAL OF THE STATE OF HAWAII

G.M. No. 638 RUSSELL A. SUZUKI, for a term to expire at noon on 12-03-2018

Your Committee reviewed the personal history, resume, and statement submitted by Russell A. Suzuki for nomination as the Attorney General of the State of Hawaii.

Your Committee received testimony in support of the nomination of Russell A. Suzuki as the Attorney General of the State of Hawaii from the Office of the Governor; Office of the Lieutenant Governor; Department of Land and Natural Resources; Department of Transportation; Department of Human Services; Department of Accounting and General Services; Department of Business, Economic Development, and Tourism; Department of Agriculture; Department of Labor and Industrial Relations; Department of Public Safety; Office of Elections; Office of Enterprise Technology Services; Research Corporation of the University of Hawaii; Sex Abuse Treatment Center; United Public Workers, AFSCME, Local 646, AFL-CIO; and forty-five individuals. Your Committee received testimony in opposition to the nomination of Russell A. Suzuki as the Attorney General of the State of Hawaii from one individual.

Mr. Suzuki received his Bachelor of Arts Degree from the University of Hawaii at Manoa and his Doctorate of Jurisprudence from Ohio State University. He currently serves as Acting Attorney General and previous to that has served as First Deputy Attorney General under Attorneys General Douglas Chin, David Louie, and Mark Bennett. He has practiced as a public sector attorney at the Department of the Attorney General for the past thirty-six years, and has served as counsel to the Office of the Governor, Office of the Lieutenant Governor, Department of Accounting and General Services, Department of Budget and Finance, Department of Education, University of Hawaii, and State Judiciary. Prior to his service at the Department of the Attorney General, he practiced criminal defense law, family law, business law, and military law at the Law Offices of Yoshiro Nakamura.

Testimony submitted in support of the nomination of Mr. Suzuki's nomination commend his extensive experience, deep institutional knowledge, and strong command of Hawaii's statutes and regulations. He has served as First Deputy Attorney General for three gubernatorial administrations and is highly regarded as a strong problem solver with the capacity to deal impartially with all matters that come before the Department of the Attorney General. Many testifiers observed that Mr. Suzuki's seasoned judgment, extensive knowledge, and professional demeanor will continue to be great assets to the Department of the Attorney General.

Your Committee finds that, based on the testimony submitted on his behalf, Russell A. Suzuki has the experience, temperament, and other competencies to be the Attorney General of the State of Hawaii, and in that capacity he will continue to be a strong advocate on behalf of the interests of the State, its citizens, and its residents.

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, 5. Noes, none. Excused, none.

SCRep. 3253 Agriculture and Environment on S.C.R. No. 167

The purpose and intent of this measure is to request the Board of Agriculture to submit a report to the Legislature detailing a plan to improve the import permit process for all agricultural commodities.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawaii. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that the Plant Quarantine Branch of the Department of Agriculture is tasked with preventing the introduction and spread of harmful pests and diseases into the State by regulating domestic import, performing border inspections, facilitating post border detection and control of agricultural pests, and administration of the import permit program. Your Committee further finds that there are reports of several incidents in which those seeking to import aquaculture into the State have not received permits from the Department of Agriculture within the maximum time periods or within a reasonable amount of time after the expiration of the maximum time periods established in section 4-71-4.1, Hawaii Administrative Rules. This measure requests the Board of Agriculture to develop a plan to improve its own importation permit process for agricultural commodities to ensure that the process reflects current industry conditions, needs, and best practices.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 167 and recommends that it be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3254 Agriculture and Environment on S.R. No. 126

The purpose and intent of this measure is to request the Board of Agriculture to submit a report to the Legislature detailing a plan to improve the import permit process for all agricultural commodities.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that the Plant Quarantine Branch of the Department of Agriculture is tasked with preventing the introduction and spread of harmful pests and diseases into the State by regulating domestic import, performing border inspections, facilitating post border detection and control of agricultural pests, and administration of the import permit program. Your Committee further finds that there are reports of several incidents in which those seeking to import aquaculture into the State have not received permits from the Department of Agriculture within the maximum time periods or within a reasonable amount of time after the expiration of the maximum time periods established in section 4-71-4.1, Hawaii Administrative Rules. This measure requests the Board of Agriculture to develop a plan to improve its own importation permit process for agricultural commodities to ensure that the process reflects current industry conditions, needs, and best practices.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 126 and recommends that it be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3255 Agriculture and Environment on S.C.R. No. 165

The purpose and intent of this measure is to request the state Auditor to conduct a performance audit of the Department of Agriculture's procedures relating to aquaculture importation permit applications.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that local farmers and others are ready and able to bring additional aquaculture to the State that can assist the State in achieving local food production and sustainability goals; however, there are reports of several incidents in which those seeking to import aquaculture into the State have not received permits from the Department of Agriculture within the maximum time periods or within a reasonable amount of time after the expiration of the maximum time periods established in the Hawaii Administrative Rules. This measure seeks a performance audit to obtain a better understanding of the existing aquaculture importation permit process and identify ways to ensure a more expeditious but responsible process to support Hawaii's aquaculture industry.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 165 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3256 Agriculture and Environment on S.R. No. 124

The purpose and intent of this measure is to request the state Auditor to conduct a performance audit of the Department of Agriculture's procedures relating to aquaculture importation permit applications.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that local farmers and others are ready and able to bring additional aquaculture to the State that can assist the State in achieving local food production and sustainability goals; however, there are reports of several incidents in which those seeking to import aquaculture into the State have not received permits from the Department of Agriculture within the maximum time periods or within a reasonable amount of time after the expiration of the maximum time periods established in the Hawaii Administrative Rules. This measure seeks a performance audit to obtain a better understanding of the existing aquaculture importation permit process and identify ways to ensure a more expeditious but responsible process to support Hawaii's aquaculture industry.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 124 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3257 Human Services on S.C.R. No. 102

The purpose and intent of this measure is to request the Judiciary and Department of Human Services to not use blindness as a basis for denying parental rights in regard to child welfare, foster care, family law, and adoption.

Your Committee received testimony in support of this measure from Young Progressives Demanding Action, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, National Federation of the Blind of Hawaii, Progressive Democrats of Hawai'i, Oahu Intertribal Council, and three individuals. Your Committee received comments on this measure from the Judiciary, Department of Human Services, Department of the Attorney General, Disability and Communication Access Board, and Hawaii Family Advocacy Team.

Your Committee finds that blind individuals often face certain preconceived biases and attitudes throughout their lives, especially during family and dependency law proceedings where custody and visitation are at stake and in public and private adoption, guardianship, and foster care proceedings. Your Committee further finds that roughly one in four households in which a parent is blind have been visited by child protection services. Your Committee recognizes that blindness itself does not preclude a parent's ability to raise a child to become a responsible and productive adult. This measure seeks to ensure that individuals who are blind have the same opportunity as individuals who are not blind to serve as parents and care for their children.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 102 and recommends that it be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3258 Human Services on S.R. No. 61

The purpose and intent of this measure is to request the Judiciary and Department of Human Services to not use blindness as a basis for denying parental rights in regard to child welfare, foster care, family law, and adoption.

Your Committee received testimony in support of this measure from Young Progressives Demanding Action, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, National Federation of the Blind of Hawaii, Progressive Democrats of Hawai'i, Oahu Intertribal Council, and three individuals. Your Committee received comments on this measure from the Judiciary, Department of Human Services, Department of the Attorney General, and Disability and Communication Access Board.

Your Committee finds that blind individuals often face certain preconceived biases and attitudes throughout their lives, especially during family and dependency law proceedings where custody and visitation are at stake and in public and private adoption, guardianship, and foster care proceedings. Your Committee further finds that roughly one in four households in which a parent is blind have been visited by child protection services. Your Committee recognizes that blindness itself does not preclude a parent's ability to raise a child to become a responsible and productive adult. This measure seeks to ensure that individuals who are blind have the same opportunity as individuals who are not blind to serve as parents and care for their children.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 61 and recommends that it be referred to your Committee on Judiciary.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3259 (Joint) Human Services and Education and Commerce, Consumer Protection, and Health on S.C.R. No. 11

The purpose and intent of this measure is to:

- (1) Urge the Department of Education, Department of Health, Department of Human Services, and Judiciary to permanently establish the Hawaii Interagency State Youth Network of Care (HISYNC);
- (2) Urge the various state entities to participate in HISYNC and the Hawaii Interagency Local Youth Network of Care (HILYNC);
- (3) Urge any additional child-serving agencies that are not currently members of HISYNC to participate in HISYNC's interagency forum and send local representatives to each of the regional HILYNC committees; and
- (4) Urge HISYNC to coordinate the complex landscape of the child-serving system.

Your Committees received testimony in support of this measure from the Department of Human Services, Department of Health, Department of Education, Hawaii Youth Services Network, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that the Department of Education, Department of Human Services, Department of Health, and Judiciary provide services for children, youth, and families, especially for children with complex educational, behavioral, and social-emotional needs. To increase collaboration and create a better integrated system of care for children, youth, and families, these state agencies formed HISYNC and, through HISYNC, provide multi-agency initiatives to assist children with complex needs and their families navigate the State's child-serving system. This measure will officially recognize HISYNC and urge the network to continue to provide comprehensive services and additional resources for children with complex needs and their families.

Your Committees have amended this measure by inserting language urging the Hawaii Interagency State Youth Network of Care to invite other entities who work with children with complex needs to join the forum and encouraging these entities to send a representative to each of the regional Hawaii Interagency Local Youth Network of Care committees.

As affirmed by the records of votes of the members of your Committees on Human Services, Education, and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 11, as amended herein, and recommend that it be referred to your Committee on Judiciary, in the form attached hereto as S.C.R. No. 11, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3260 (Joint) Human Services and Education and Commerce, Consumer Protection, and Health on S.R. No. 10

The purpose and intent of this measure is to:

- (1) Urge the Department of Education, Department of Health, Department of Human Services, and Judiciary to permanently establish the Hawaii Interagency State Youth Network of Care (HISYNC);
- (2) Urge the various state entities to participate in HISYNC and the Hawaii Interagency Local Youth Network of Care (HILYNC);
- (3) Urge any additional child-serving agencies that are not currently members of HISYNC to participate in HISYNC's interagency forum and send local representatives to each of the regional HILYNC committees; and
- (4) Urge HISYNC to coordinate the complex landscape of the child-serving system.

Your Committees received testimony in support of this measure from the Department of Human Services, Hawaii Youth Services Action Network, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual.

Your Committees find that the Department of Education, Department of Human Services, Department of Health, and Judiciary provide services for children, youth, and families, especially for children with complex educational, behavioral, and social-emotional needs. To increase collaboration and create a better integrated system of care for children, youth, and families, these state agencies formed HISYNC and, through HISYNC, provide multi-agency initiatives to assist children with complex needs and their families navigate the State's child-serving system. This measure will officially recognize HISYNC and urge the network to continue to provide comprehensive services and additional resources for children with complex needs and their families.

Your Committees have amended this measure by inserting language urging the Hawaii Interagency State Youth Network of Care to invite other entities who work with children with complex needs to join the forum and encouraging these entities to send a representative to each of the regional Hawaii Interagency Local Youth Network of Care committees.

As affirmed by the records of votes of the members of your Committees on Human Services, Education, and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 10, as amended herein, and recommend that it be referred to your Committee on Judiciary, in the form attached hereto as S.R. No. 10, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3261 (Joint) Human Services and Economic Development, Tourism, and Technology and Government Operations on S.C.R. No. 1

The purpose and intent of this measure is to:

- (1) Request the Office of Enterprise Technology Services, in consultation with the Public Utilities Commission and Disability and Communication Access Board, to review existing and emerging equipment, services, and policies to ensure continued accessibility and usability for individuals who are deaf or who have a hearing or speech disability; and
- (2) Request a report to the Legislature with findings and recommendations based on the review.

Your Committees received testimony in support of this measure from the Office of Enterprise Technology Services, Disability and Communication Access Board, Hawaii Disability Rights Center, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Aloha State Association of the Deaf, and two individuals.

Your Committees find that individuals who are deaf or hard of hearing or have a speech disability often utilize technology and technology based services and equipment to effectively communicate with others. Your Committees further find that as internet-based technology devices continually improve and become more readily available, existing telecommunication equipment, services, and policies must also be evaluated and updated. This measure will allow the Office of Enterprise Technology Services, in consultation with the Public Utilities Commission and Disability and Communication Access Board, to examine and update existing equipment, services, and policies, to ensure continued accessibility and usability for individuals who are deaf or hard of hearing or have a speech disability.

Your Committees have amended this measure by:

- (1) Amending its title to read, "SENATE CURRENT RESOLUTION URGING VARIOUS STATE ENTITIES TO REVIEW AND UPDATE THEIR TELECOMMUNICATION EQUIPMENT, SERVICES, AND POLICIES AND IDENTIFY AREAS OF IMPROVEMENT IN ACCESSIBILITY AND USABILITY FOR INDIVIDUALS WHO ARE DEAF OR HARD OF HEARING OR HAVE A SPEECH DISABILITY"; and
- (2) Making other technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services, Economic Development, Tourism, and Technology, and Government Operations that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 1, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 1, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).
Government Operations: Ayes, 5. Noes, none. Excused, none.

SCRep. 3262 (Joint) Human Services and Economic Development, Tourism, and Technology and Government Operations on S.R. No. 1

The purpose and intent of this measure is to:

- (1) Request the Office of Enterprise Technology Services, in consultation with the Public Utilities Commission and Disability and Communication Access Board, to review existing and emerging equipment, services, and policies to ensure continued accessibility and usability for individuals who are deaf or who have a hearing or speech disability; and
- (2) Request a report to the Legislature with findings and recommendations based on the review.

Your Committees received testimony in support of this measure from the Disability and Communication Access Board and one individual.

Your Committees find that individuals who are deaf or hard of hearing, or have a speech disability often utilize technology and technology based services and equipment to effectively communicate with others. Your Committees further find that as internet-based technology devices continually improve and become more readily available, existing telecommunication equipment, services, and policies must also be evaluated and updated. This measure will allow the Office of Enterprise Technology Services, in consultation with the Public Utilities Commission and Disability and Communication Access Board, to examine and update existing equipment, services, and policies, to ensure continued accessibility and usability for individuals who are deaf or hard of hearing or have a speech disability.

Your Committees have amended this measure by:

- (1) Amending its title to read, "SENATE RESOLUTION URGING VARIOUS STATE ENTITIES TO REVIEW AND UPDATE THEIR TELECOMMUNICATION EQUIPMENT, SERVICES, AND POLICIES AND IDENTIFY AREAS OF IMPROVEMENT IN ACCESSIBILITY AND USABILITY FOR INDIVIDUALS WHO ARE DEAF OR HARD OF HEARING OR HAVE A SPEECH DISABILITY"; and
- (2) Making other technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services, Economic Development, Tourism, and Technology, and Government Operations that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 1, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 1, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

Government Operations: Ayes, 5. Noes, none. Excused, none.

SCRep. 3263 Government Operations on S.C.R. No. 183

The purpose and intent of this measure is to urge various government entities to develop, update, and introduce policies related to helicopter air tours at the state and national level.

Your Committee received testimony in support of this measure from the County of Hawai'i, Office of the Mayor; Hawaii Island Coalition Malama Pono; two individuals; and a petition with one hundred ninety names.

Your Committee finds that Hawai'i Volcanoes National Park, on the island of Hawai'i, is managed by the Director of the National Park Service, which is a bureau of the United States Department of the Interior, and has more non-essential tour helicopter overflights than any other individual park in the nation. Your Committee further finds that in recent years, helicopter noise as a result of commercial air tour flights over residential areas in the east Hawai'i region of the island of Hawai'i has reached an unprecedented level. Residents in Hāmākua, Hilo, Mountain View, Puna, Volcano, and Ka'ū have continued to raise issues of overflights, noise complaints, and safety with the state Department of Transportation, Honolulu Flight Standards District Office of the Federal Aviation Administration, and air tour helicopter operators.

Your Committee additionally finds that it has been fourteen years since the Federal Aviation Administration and National Park Service initially asked for comments on an Air Tour Management Plan Environmental Assessment and seven years since a preliminary draft Air Tour Management Plan for Hawai'i Volcanoes National Park was published. However, there is still no final Air Tour Management Plan for Hawai'i Volcanoes National Park and the only rules that govern helicopter and fixed wing air tours over the airspace of the Hawaiian islands are contained in the decade-old Hawai'i Air Tour Common Procedures Manual. This measure therefore urges various government entities to develop, update, and introduce policies related to helicopter air tours at the state and national level, including completing the Air Tour Management Plan for Hawai'i Volcanoes National Park, Haleakalā, and other designated national parks throughout the nation; updating the Hawai'i Air Tour Common Procedures Manual; and working with community stakeholders to address concerns related to noise complaints and safety issues.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 183 and recommends that it be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3264 Government Operations on S.R. No. 109

The purpose and intent of this measure is to urge various government entities to develop, update, and introduce policies related to helicopter air tours at the state and national level.

Your Committee received testimony in support of this measure from the County of Hawai'i, Office of the Mayor; Hawaii Island Coalition Malama Pono; one individual; and a petition with one hundred ninety names.

Your Committee finds that Hawai'i Volcanoes National Park, on the island of Hawai'i, is managed by the Director of the National Park Service, which is a bureau of the United States Department of the Interior, and has more non-essential tour helicopter overflights than any other individual park in the nation. Your Committee further finds that in recent years, helicopter noise as a result of commercial air tour flights over residential areas in the east Hawai'i region of the island of Hawai'i has reached an unprecedented level. Residents in Hāmākua, Hilo, Mountain View, Puna, Volcano, and Ka'u have continued to raise issues of overflights, noise complaints, and safety with the state Department of Transportation, Honolulu Flight Standards District Office of the Federal Aviation Administration, and air tour helicopter operators.

Your Committee additionally finds that it has been fourteen years since the Federal Aviation Administration and National Park Service initially asked for comments on an Air Tour Management Plan Environmental Assessment and seven years since a preliminary draft Air Tour Management Plan for Hawai'i Volcanoes National Park was published. However, there is still no final Air Tour Management Plan for Hawai'i Volcanoes National Park and the only rules that govern helicopter and fixed wing air tours over the airspace of the Hawaiian islands are contained in the decade-old Hawai'i Air Tour Common Procedures Manual. This measure therefore urges various government entities to develop, update, and introduce policies related to helicopter air tours at the state and national level, including completing the Air Tour Management Plan for Hawai'i Volcanoes National Park, Haleakalā, and other designated national parks throughout the nation; updating the Hawai'i Air Tour Common Procedures Manual; and working with community stakeholders to address concerns related to noise complaints and safety issues.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 109 and recommends that it be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3265 Hawaiian Affairs on S.R. No. 18

The purpose and intent of this measure is to:

- (1) Urge state offices, including state educational entities and recreational facilities, and the local media, private schools, the tourism industry and other businesses, and the general public to use Hawaiian names as the sole common names of local flora and fauna;
- (2) Encourage government employees to pronounce the names of local flora and fauna properly in the Hawaiian language;
- (3) Encourage the proper spelling of Hawaiian names of local flora and fauna to include the 'okina and kahakō, where appropriate; and
- (4) Urge that more effort is put toward researching Hawaiian terms that have been lost or are needed to describe recently discovered or introduced flora and fauna.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Hawaiian Civic Club of Honolulu, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and two individuals. Your Committee received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies.

Your Committee finds that the Hawaiian language is the native language of the State and despite this, the Hawaiian language is beginning to lose its prominence throughout the State. Your Committee further finds that more effort should be put toward sustaining the Hawaiian language, given the importance it holds for many residents in Hawaii. Your Committee recognizes that local flora and fauna have had a tradition of being called by their native Hawaiian names, such as "pōhuehue", however this practice is increasingly declining and the English name is being used instead. Your Committee believes that the Hawaiian language should be properly utilized more frequently, especially in state government, which can lead by example.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 18, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 18, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3266 (Joint) Hawaiian Affairs and Housing on S.C.R. No. 48

The purpose and intent of this measure is to request the Department of Hawaiian Home Lands to:

- (1) Identify beneficiaries who are homeless and to use this information to assist in its objective to deliver diverse residential homesteading opportunities for beneficiaries; and
- (2) Develop multi-family, high-density development in transit-oriented development zones.

Your Committees received testimony in support of this measure from the Hawaiian Civic Club of Honolulu; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and Ho'omanā Pono, LLC. Your Committees received testimony in opposition to this measure from the Ho'omanāpono Political Action Committee and one individual. Your Committees received comments on this measure from the Department of Hawaiian Home Lands.

Your Committees find that homelessness remains one of the State's most pressing issues. According to "Housing Needs of Native Hawaiians: A Report From the Assessment of American Indian, Alaska Native, and Native Hawaiian Housing Needs" by the United States Department of Housing and Urban Development, Native Hawaiians are disproportionately represented in the State's homeless population. The Department of Housing and Urban Development further states in its 2015 Homeless Populations and Subpopulations report that thirty-nine percent of homeless in Hawaii identify as Native Hawaiian or other Pacific Islander.

Your Committees believe that while homelessness is a statewide problem, the Department of Hawaiian Home Lands' responsibility is toward Native Hawaiians. Your Committees note the testimony received from the Department of Hawaiian Home Lands indicating that the Department is working toward developing multi-family, high-density development as evidenced by the Hawaiian Homes Commission's approval in December 2017 to proceed with beneficiary consultation to consider administrative rules relating to Declaration of Covenants, Conditions, and Restrictions communities, multi-family housing, and rentals. Your Committees believe that the construction of tiny homes may be a solution that the Department of Hawaiian Home Lands should consider in its objective to deliver diverse residential homesteading opportunities.

Your Committees have amended this measure by:

- (1) Deleting any reference to "homeless" Native Hawaiians or beneficiaries and deleting the request that the Department of Hawaiian Home Lands identify beneficiaries who are homeless and utilize that information to assist in its objective to deliver diverse residential homesteading opportunities for beneficiaries;
- (2) Correcting the number of applicants on the homestead waitlist;
- (3) Inserting language regarding the role of tiny homes in placing Native Hawaiians in low-priced housing and allowing more to qualify for a home and requesting the Department of Hawaiian Home Lands to develop tiny homes;
- (4) Requesting the Department of Hawaiian Home Lands to identify beneficiaries who may benefit from the delivery of diverse residential homesteading opportunities;
- (5) Amending its title accordingly to read, "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HAWAIIAN HOME LANDS TO PROVIDE MULTI-FAMILY, HIGH-DENSITY DEVELOPMENT IN TRANSIENT-ORIENTED DEVELOPMENT ZONES AND TINY HOMES FOR NATIVE HAWAIIANS"; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Housing that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 48, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 48, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 5. Noes, none. Excused, none.

Housing: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Kahele).

SCRep. 3267 Housing on S.C.R. No. 35

The purpose and intent of this measure is to request the Honolulu City Council to adopt a new permitting process to allow for the construction of large-scale houses in certain residential zoned areas.

Your Committee received testimony in support of this measure from the Department of Planning and Permitting of the City and County of Honolulu, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and two individuals. Your Committee received testimony in opposition to this measure from the Building Industry Association Hawaii.

Your Committee finds that large-scale houses, commonly referred to as "monster homes", that are triple in size to traditional three-bedroom, two-bathroom homes are being built across Oahu. Those living near these large-scale houses are concerned about parking, local traffic, sewer capacity, and other infrastructure capacity, and about the potential impact of these larger homes on the character of their neighborhoods. Many believe the large-scale houses are being used for unauthorized residential or vacation rentals, adult care homes, dormitories, and illegal commercial operations. As a result, the Honolulu City Council passed and the Mayor of the City and County of Honolulu signed into law a measure that calls for the Department of Planning and Permitting of the City and County of Honolulu to immediately halt issuing building permits for large-scale houses until the City Council can adopt stricter regulations on the structures, or up to two years.

Your Committee further finds that Hawaii is experiencing a severe housing crisis and these large-scale houses could play a role in ending the State's homeless situation by providing affordable rooms for rent. Thus, in light of the moratorium and the pressing need for the creation of affordable dwelling units, this measure requests for the inclusion of a new permitting process to allow for the construction of large-scale houses.

Your Committee notes that these large-scale houses could be situated in master planned communities, so that purchasers are fully aware of the types of housing under development, and be subject to rental price restrictions or requirements in order to maintain affordability. However, your Committee believes that such large-scale houses should be considered for inclusion in new or future master planned communities, rather than existing master planned communities.

Your Committee has amended this measure by:

- (1) Requesting that the new permitting process allow large-scale housing in areas such as new master planned communities; and

- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 35, as amended herein, and recommends that it be referred to your Committee on Public Safety, Intergovernmental, and Military Affairs, in the form attached hereto as S.C.R. No. 35, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Harimoto, Kahele).

SCRep. 3268 Labor on S.C.R. No. 22

The purpose and intent of this measure is to request the Director of Finance to establish a working group to identify barriers to improving the State's hiring processes.

Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that Hawaii's low unemployment rate of two percent presents difficulties for executive agencies to attract qualified applicants and retain experienced employees. Your Committee further finds that mid-management level positions are especially short on employees due to numerous required procedures that executive agencies must follow during the hiring process. Your Committee finds, especially as more employees reach the eligible age for retirement, that it is important that executive agencies have mechanisms in place to allow them to quickly fill vacant positions. This measure aims to improve the State's hiring process and remove barriers to finding, hiring, and retaining highly qualified employees.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 22, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 22, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3269 Labor on S.R. No. 12

The purpose and intent of this measure is to request the Director of Finance to establish a working group to identify barriers to improving the State's hiring processes.

Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that Hawaii's low unemployment rate of two percent presents difficulties for executive agencies to attract qualified applicants and retain experienced employees. Your Committee further finds that mid-management level positions are especially short on employees due to numerous required procedures that executive agencies must follow during the hiring process. Your Committee finds, especially as more employees reach the eligible age for retirement, that it is important that executive agencies have mechanisms in place to allow them to quickly fill vacant positions. This measure aims to improve the State's hiring process and remove barriers to finding, hiring, and retaining highly qualified employees.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 12, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 12, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3270 Government Operations on S.C.R. No. 93

The purpose and intent of this measure is to:

- (1) Request the Department of Budget and Finance to compile a report including specific information on all unspent federal funds for each state department; and
- (2) Request the Department of Budget and Finance to submit the report to the Legislature prior to the convening of the Regular Session of 2019.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the State receives approximately \$3,000,000,000 per year from federal sources, which accounts for approximately twenty percent of the State's annual budget. The biggest recipients of federal funds in Hawaii are the Department of Human Services, which administers Medicaid; University of Hawaii; Department of Education; and Department of Health. By requesting a comprehensive report of all unspent federal funds by state departments, this measure may be valuable in identifying ways to improve program funding, efficacy, and efficiency.

Your Committee notes the written comments submitted by the Department of Budget and Finance that in 2014, the Department launched the Federal Award Management System that requires state departments to report certain data for each federal award they

receive and to update award records as the data changes. However, the Department of Education, University of Hawaii, which has its own separate reporting system, and Office of Hawaiian Affairs do not participate in the Federal Award Management System.

Accordingly, your Committee has amended this measure by:

- (1) Changing the title to request the Department of Education, University of Hawaii, and Office of Hawaiian Affairs, in addition to the Department of Budget and Finance, to submit a report to the Legislature on all unspent federal funds for their respective state department or entity, and making conforming amendments accordingly;
- (2) Adding the Superintendent of Education, President of the University of Hawaii, and Chief Executive Office of the Office of Hawaiian Affairs to the list of recipients to be transmitted a certified copy of this measure; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 93, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 93, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3271 Government Operations on S.C.R. No. 152

The purpose and intent of this measure is to:

- (1) Request the Legislative Reference Bureau to conduct a study on the needs and costs associated with the implementation of audio and video technology to provide all state residents with the opportunity to provide oral testimony at all legislative hearings; and
- (2) Request the Legislative Reference Bureau to submit a written report of its findings and recommendations, including any proposed legislation, to the Legislature no later than December 1, 2018.

Your Committee received testimony in support of this measure from Common Cause Hawaii and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Legislative Reference Bureau.

Your Committee finds that legislative rules and practices encourage robust debate provided through testimony from members of the public, but such public participation may disproportionately impact citizens on the neighbor islands due to distance and travel costs. By conducting a study on the needs and costs associated with the implementation of audio and video technology for oral testimony at all legislative hearings, this measure will provide a mechanism for full public participation in the democratic process.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 152 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3272 Government Operations on S.R. No. 112

The purpose and intent of this measure is to:

- (1) Request the Legislative Reference Bureau to conduct a study on the needs and costs associated with the implementation of audio and video technology to provide all state residents with the opportunity to provide oral testimony at all legislative hearings; and
- (2) Request the Legislative Reference Bureau to submit a written report of its findings and recommendations, including any proposed legislation, to the Legislature no later than December 1, 2018.

Your Committee received testimony in support of this measure from the Ulupono Initiative, Common Cause Hawaii, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that legislative rules and practices encourage robust debate provided through testimony from members of the public, but such public participation may disproportionately impact citizens on the neighbor islands due to distance and travel costs. By conducting a study on the needs and costs associated with the implementation of audio and video technology for oral testimony at all legislative hearings, this measure will provide a mechanism for full public participation in the democratic process.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 112 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3273 (Joint) Economic Development, Tourism, and Technology and Agriculture and Environment on S.C.R. No. 171

The purpose and intent of this measure is to request the Hawaii Tourism Authority to:

- (1) Establish a campaign to educate visitors to the State about the harmful effects of oxybenzone sunscreen on coral reefs and to encourage visitors to refrain from using oxybenzone sunscreen; and
- (2) Submit a report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019 on efforts taken to educate visitors about the harmful effects of oxybenzone.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Health, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, and one individual. Your Committees received comments on this measure from the Hawaii Tourism Authority.

Your Committees find that the health of Hawaii's marine ecosystem is one of the most pressing matters of the State. Coral in Hawaii's waters are showing increasingly significant signs of damage, including extensive bleaching. Your Committees further find that the chemical known as oxybenzone, found in sunscreen, is harmful to coral. Studies have shown that oxybenzone causes coral deformity, bleaching, and DNA damage that weaken the coral systems' adaptability to climate change. Your Committees note that there are alternatives to oxybenzone sunscreen. Elevated levels of oxybenzone have been detected throughout the State, including Waimea Bay, Waikiki Beach in Oahu, and Honolua Bay in Maui. Your Committees find great merit in educating visitors about the potential impacts of oxybenzone on Hawaii's marine ecosystem in order to better preserve and protect marine life.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Agriculture and Environment that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 171 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3; Ayes with Reservations (Taniguchi). Noes, none. Excused, 2 (Baker, Thielen).

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 3274 (Joint) Economic Development, Tourism, and Technology and Agriculture and Environment on S.R. No. 100

The purpose and intent of this measure is to request the Hawaii Tourism Authority to:

- (1) Establish a campaign to educate visitors to the State about the harmful effects of oxybenzone sunscreen on coral reefs and to encourage visitors to refrain from using oxybenzone sunscreen; and
- (2) Submit a report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019 on efforts taken to educate visitors about the harmful effects of oxybenzone.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Health, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, and one individual. Your Committees received comments on this measure from the Hawaii Tourism Authority and one individual.

Your Committees find that the health of Hawaii's marine ecosystem is one of the most pressing matters of the State. Coral in Hawaii's waters are showing increasingly significant signs of damage, including extensive bleaching. Your Committees further find that the chemical known as oxybenzone, found in sunscreen, is harmful to coral. Studies have shown that oxybenzone causes coral deformity, bleaching, and DNA damage that weaken the coral systems' adaptability to climate change. Your Committees note that there are alternatives to oxybenzone sunscreen. Elevated levels of oxybenzone have been detected throughout the State, including Waimea Bay, Waikiki Beach in Oahu, and Honolua Bay in Maui. Your Committees find great merit in educating visitors about the potential impacts of oxybenzone on Hawaii's marine ecosystem in order to better preserve and protect marine life.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Agriculture and Environment that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 100 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3; Ayes with Reservations (Taniguchi). Noes, none. Excused, 2 (Baker, Thielen).

Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 3275 (Joint) Economic Development, Tourism, and Technology and Government Operations on S.C.R. No. 158

The purpose and intent of this measure is to:

- (1) Request the Governor and Legislature to convene a joint task force to identify ways to:
 - (A) Collect uncollected revenues;
 - (B) Generate revenue by enacting tax measures that have minimal impact on families with low- and moderate-incomes; and
 - (C) Reduce costs by re-describing positions and eliminating unnecessary vacancies in various state departments and agencies;
- (2) Request the Governor to share the Governor's six-year financial plan with the Legislature no later than twenty days prior to the convening of each regular session; and
- (3) Encourage the joint task force to meet every fiscal quarter to review and update the financial plan as necessary.

Your Committees received testimony in support of this measure from the Department of Budget and Finance. Your Committees received comments on this measure from the Department of Taxation and one individual.

Your Committees find that the State is not collecting the full amount of revenue owed from sources such as the transient accommodations tax from illegal transient vacation rentals, hotel resort fees, and online transient accommodation intermediaries. Your Committees further find that several measures have been proposed for consideration this regular session that would enforce or clarify existing tax laws, or increase revenue generated from various sources, to create financial stability. However, prior to enacting these measures, your Committees feel that more collaborative work between the Legislature and the Executive Branch would better identify areas where the State can generate more revenue and make the State more efficient. Your Committees believe that a joint task force to address these issues is imperative to thoroughly examine the options, share information and ideas, and make fiscally prudent decisions for the State's future.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Government Operations that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 158 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

Government Operations: Ayes, 5. Noes, none. Excused, none.

SCRep. 3276 (Joint) Economic Development, Tourism, and Technology and Government Operations on S.R. No. 118

The purpose and intent of this measure is to:

- (1) Request the Governor and Legislature to convene a joint task force to identify ways to:
 - (A) Collect uncollected revenues;
 - (B) Generate revenue by enacting tax measures that have minimal impact on families with low- and moderate-incomes; and
 - (C) Reduce costs by re-describing positions and eliminating unnecessary vacancies in various state departments and agencies;
- (2) Request the Governor to share the Governor's six-year financial plan with the Legislature no later than twenty days prior to the convening of each regular session; and
- (3) Encourage the joint task force to meet every fiscal quarter to review and update the financial plan as necessary.

Your Committees received testimony in support of this measure from the Department of Budget and Finance. Your Committees received comments on this measure from the Department of Taxation.

Your Committees find that the State is not collecting the full amount of revenue owed from sources such as the transient accommodations tax from illegal transient vacation rentals, hotel resort fees, and online transient accommodation intermediaries. Your Committees further find that several measures have been proposed for consideration this regular session that would enforce or clarify existing tax laws, or increase revenue generated from various sources, to create financial stability. However, prior to enacting these measures, your Committees feel that more collaborative work between the Legislature and the Executive Branch would better identify areas where the State can generate more revenue and make the State more efficient. Your Committees believe that a joint task force to address these issues is imperative to thoroughly examine the options, share information and ideas, and make fiscally prudent decisions for the State's future.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Government Operations that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 118 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

Government Operations: Ayes, 5. Noes, none. Excused, none.

SCRep. 3277 (Joint) Hawaiian Affairs and Commerce, Consumer Protection, and Health on S.C.R. No. 73

The purpose and intent of this measure is to request that the United States Congress amend the Native Hawaiian Health Care Improvement Act to ensure that the Act receives permanent funding.

Your Committees received testimony in support of this measure from the University of Hawai'i System; Papa Ola Lōkahi; Native Hawaiian Health Scholarship Program; Hawaiian Civic Club of Honolulu; Hawaiian Affairs Caucus of the Democratic Party of Hawaii; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Ho'omanā Pono, LLC; and Ho'omanāpono Political Action Committee. Your Committees received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies.

Your Committees find that the Native Hawaiian Health Care Improvement Act (NHHCIA) was enacted in 1988 and established a program to provide comprehensive health promotion and disease prevention services to Native Hawaiians. Your Committees further find that the funding for NHHCIA ends in fiscal year 2019, and unless authorization of the NHHCIA is extended, existing federal Native Hawaiian health care programs will end. Your Committees believe that the NHHCIA is imperative for the United States to fulfill its special responsibilities and legal obligations to Native Hawaiians to "raise the health status of Native Hawaiians to the highest possible health level", as stipulated in title 42 United States Code section 11702(1). Your Committees find that the Indian Health Care Improvement Act includes a provision for permanent funding of the Act, to remain available until expended. Your Committees recognize the work Papa Ola Lōkahi has been doing with the members of Hawaii's congressional delegation to authorize permanent funding for the NHHCIA, similar to the Indian Health Care Improvement Act. Your Committees believe that permanent funding is essential to providing Native Hawaiians with proper health care.

Your Committees have amended this measure by:

- (1) As suggested by Papa Ola Lōkahi, clarifying that the United States Congress is requested to make permanent the authority of the Native Hawaiian Health Care Improvement Act, with all the funding resources necessary to effect this policy;
- (2) Amending its title to reflect its amended purpose; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 73, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 73, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Green).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Nishihara, Tokuda).

SCRep. 3278 (Joint) Hawaiian Affairs and Commerce, Consumer Protection, and Health on S.R. No. 44

The purpose and intent of this measure is to request that the United States Congress amend the Native Hawaiian Health Care Improvement Act to ensure that the Act receives permanent funding.

Your Committees received testimony in support of this measure from the University of Hawai'i System; Papa Ola Lōkahi; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Ho'omana Pono, LLC; Ho'omanapono Political Action Committee; and two individuals. Your Committees received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies. Your Committees received comments on this measure from one individual.

Your Committees find that the Native Hawaiian Health Care Improvement Act (NHHCIA) was enacted in 1988 and established a program to provide comprehensive health promotion and disease prevention services to Native Hawaiians. Your Committees further find that the funding for NHHCIA ends in fiscal year 2019, and unless authorization of the NHHCIA is extended, existing federal Native Hawaiian health care programs will end. Your Committees believe that the NHHCIA is imperative for the United States to fulfill its special responsibilities and legal obligations to Native Hawaiians to "raise the health status of Native Hawaiians to the highest possible health level", as stipulated in title 42 United States Code section 11702(1). Your Committees find that the Indian Health Care Improvement Act includes a provision for permanent funding of the Act, to remain available until expended. Your Committees recognize the work Papa Ola Lōkahi has been doing with the members of Hawaii's congressional delegation to authorize permanent funding for the NHHCIA, similar to the Indian Health Care Improvement Act. Your Committees believe that permanent funding is essential to providing Native Hawaiians with proper health care.

Your Committees have amended this measure by:

- (1) As suggested by Papa Ola Lōkahi, clarifying that the United States Congress is requested to make permanent the authority of the Native Hawaiian Health Care Improvement Act, with all the funding resources necessary to effect this policy;
- (2) Amending its title to reflect its amended purpose; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 44, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 44, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Green).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Nishihara, Tokuda).

SCRep. 3279 Commerce, Consumer Protection, and Health on S.C.R. No. 136

The purpose and intent of this measure is to request the Executive Office on Aging to improve its transparency with respect to its compliance with the Older Americans Act and the services and supports provided through county area agencies on aging.

Your Committee received testimony in support of this measure from the Executive Office on Aging, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Catholic Charities Hawai'i, Hawai'i Meals on Wheels, Lanakila Pacific, and one individual.

Your Committee finds that some non-profit organizations and other entities contracted by government agencies to provide services to the elderly in Hawaii have reported delays and gaps in contracting and payment, which have affected their ability to provide timely service and plan for the future and have resulted in errors, inefficiencies, and delays. Your Committee finds that increased transparency within the Aging Network of the Executive Office on Aging, county area agencies on aging, and contracted service providers will uncover areas for improvement and encourage a fairer, more effective support system for the elderly.

Your Committee notes that the Executive Office on Aging possesses much of the information that would need to be shared, is in the best position to share it, and has volunteered in good faith to share it.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 136 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 3280 Commerce, Consumer Protection, and Health on S.C.R. No. 137

The purpose and intent of this measure is to request the Insurance Commissioner to establish and convene an Insurance Modernization Working Group to update and modernize Hawaii's property, casualty, and life insurance laws.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, State Farm Mutual Automobile Insurance Company, and one individual. Your Committee received comments on this measure from the National Association of Insurance and Financial Advisors and Hawaii Association for Justice.

Your Committee finds that technology and consumer expectations are rapidly transforming the regulated insurance industry. Substantial investments are being made in innovative insurance products, services, and technologies, which have great potential to improve risk mitigation, improve efficiencies, reduce costs of insurance transactions, speed up claim payments, and improve overall customer understanding of, and satisfaction with, this essential form of financial protection. This measure therefore requests the Insurance Commissioner to establish a working group to explore and propose legislation to update and modernize Hawaii's property, casualty, and life insurance laws, in light of the rapid technological changes to the insurance industry, which will help streamline Hawaii's insurance laws and ensure a seamless transition in the evolution of insurance regulation in the State.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 137, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 137, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 3281 Commerce, Consumer Protection, and Health on S.C.R. No. 113

The purpose and intent of this measure is to request the Department of Health to convene a working group to examine palliative care services and develop recommendations to expand palliative care services in Hawaii.

Your Committee received testimony in support of this measure from the Department of Health, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, American Cancer Society Cancer Action Network, Hospice of Hilo-Hawai'i Care Choices, Kōkua Mau, St. Francis Healthcare System, and three individuals.

Your Committee finds that palliative care is specialized medical care for people with serious illness, including chronic and terminal illness. Your Committee finds that palliative care can improve the quality of life for the patient and the patient's family and has been shown to reduce the need for hospitalization, including emergency room visits, time spent in intensive care, and hospital readmissions. However, your Committee also finds that palliative care is not universally offered, nor have the possibilities of palliative care been fully explored. Your Committee also notes that other states have successfully implemented working groups to study and expand palliative care services. Accordingly, your Committee finds that this State would similarly benefit from a working group to conduct an assessment of the current state of, and potential to improve, palliative care services in Hawaii.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 113 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 3282 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary on S.C.R. No. 120

The purpose and intent of this measure is to urge the United States Congress to reform and amend the Immigration and Nationality Act of 1965 and other relevant federal immigration laws to classify climate-related migrants as refugees in order to receive greater legal status and protection.

Your Committees received testimony in support of this measure from one individual.

Your Committees find that the challenges facing small island nations in the Pacific, such as sea-level rise, deterioration of precious watersheds, and protection of native flora and fauna, have led to increasing numbers of migrants from the region. Your Committees further find that all individuals fleeing from climate-related impacts who cross or seek to cross international borders are entitled to due process in the assessment of their legal status based on human rights principles, such as protection from persecution, equity, and freedom from discrimination. Your Committees acknowledge that climate-related migrants come from a variety of locations across the globe; however, your Committees believe that at this time it is crucial that the United States Congress focus on those individuals fleeing the negative impacts of climate change in the Pacific region.

Your Committees have amended this measure by:

- (1) Clarifying that the United States Department of Justice is urged to recognize the specific needs and special circumstances of applicants from developing nations, especially those from island nations in the Pacific that are vulnerable to climate change, when determining whether a migration may constitute a special humanitarian concern; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Judiciary that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 120, as amended

herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 120, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

Judiciary: Ayes, 5. Noes, none. Excused, none.

SCRep. 3283 (Majority) Judiciary on S.C.R. No. 76

The purpose and intent of this measure is to request the United States Congress to convene a limited national convention under Article V of the Constitution of the United States for the exclusive purpose of proposing an amendment to the Constitution that will limit the influence of money in the electoral process.

Your Committee received testimony in support of this measure from Wolf-PAC and twenty individuals. Your Committee received testimony in opposition to this measure from the Department of the Attorney General, League of Women Voters of Hawaii, Common Cause Hawaii, American Civil Liberties Union of Hawai'i, Life of the Land, Hawai'i Appleseed Center for Law and Economic Justice, and seven individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that the decision of the Supreme Court of the United States in *Citizens United v. Federal Election Commission*, 130 S.Ct. 876 (2010), had a significant effect on the role of powerful monied interests in election campaigns. Since that decision, many Americans from diverse political backgrounds have called for an amendment to the Constitution of the United States limiting the influence of money in elections. Your Committee further finds that an amendment to the Constitution of the United States limiting the influence of powerful monied interests in elections would lead to a more equitable representation of the public in all levels of government.

Your Committee additionally finds that, under Article V of the Constitution of the United States, an amendment to the Constitution may be proposed either by Congress with a two-thirds majority vote in both the Senate and House of Representatives or by a constitutional convention called for by two-thirds of the state legislatures. In the Regular Session of 2010, the Legislature passed House Concurrent Resolution No. 282, which requested Congress to propose an amendment to the Constitution of the United States to permit Congress and the states to regulate the expenditure of funds by corporations engaging in political speech. Although eighteen other states passed similar resolutions, Congress has proposed no such amendment.

Your Committee heard testimony expressing concerns that a national convention under Article V of the Constitution of the United States could not practicably be confined to a certain proposed amendment if the delegates chose to consider other issues. While the limits that could potentially be placed on a convention under to Article V have not been definitively established, your Committee notes that numerous amendments to the Constitution have been successfully proposed by Congress following a groundswell of resolutions from a number of state legislatures calling for a constitutional convention.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 76, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 76, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Taniguchi). Noes, 2 (Kim, Thielen). Excused, none.

SCRep. 3284 Judiciary on S.C.R. No. 31

The purpose and intent of this measure is to request the State Foundation on Culture and the Arts to build and erect a statue of President Barack Obama.

Your Committee received testimony in support of this measure from the State Foundation on Culture and the Arts.

Your Committee finds that Barack Obama was born, raised, and received primary and secondary education in Honolulu, Hawaii. After graduating from Columbia University and receiving his doctorate of jurisprudence from Harvard University, he worked as a civil rights attorney and later professor of constitutional law in Chicago, Illinois. He entered politics and was elected to the United States Senate and later to the office of President of the United States. Your Committee finds that in light of President Obama's historic accomplishments, it is appropriate to commemorate him in Hawaii. However, your Committee notes that the State Foundation on Culture and the Arts has an established procedure and management policy for all new works of art.

Accordingly, your Committee has amended this measure by:

- (1) Removing language requesting the State Foundation on Culture and the Arts to build and erect a statue of President Barack Obama and inserting language requesting the Foundation to commission a monument to President Barack Obama by forming an art advisory committee and following the Foundation's collection management policy for new works of art; and
- (2) Making a conforming amendment to the title.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 31, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 31, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3285 Judiciary on S.R. No. 15

The purpose and intent of this measure is to request the State Foundation on Culture and the Arts to build and erect a statue of President Barack Obama.

Your Committee received testimony in support of this measure from the State Foundation on Culture and the Arts. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that Barack Obama was born, raised, and received primary and secondary education in Honolulu, Hawaii. After graduating from Columbia University and receiving his doctorate of jurisprudence from Harvard University, he worked as a civil rights attorney and later professor of constitutional law in Chicago, Illinois. He entered politics and was elected to the United States Senate and later to the office of President of the United States. Your Committee finds that in light of President Obama's historic accomplishments, it is appropriate to commemorate him in Hawaii. However, your Committee notes that the State Foundation on Culture and the Arts has an established procedure and management policy for all new works of art.

Accordingly, your Committee has amended this measure by:

- (1) Removing language requesting the State Foundation on Culture and the Arts to build and erect a statue of President Barack Obama and inserting language requesting the Foundation to commission a monument to President Barack Obama by forming an art advisory committee and following the Foundation's collection management policy for new works of art; and
- (2) Making a conforming amendment to the title.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 15, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 15, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3286 (Joint) Labor and Commerce, Consumer Protection, and Health on S.C.R. No. 54

The purpose and intent of this measure is to request the Auditor to conduct a study to assess the impact of medical bill review costs on the State's workers' compensation system.

Your Committees received testimony in support of this measure from the Work Injury Medical Association of Hawaii and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from the Office of the Auditor and Department of Labor and Industrial Relations.

Your Committees find that although workers' compensation premiums in Hawaii have dropped significantly since the reforms in the mid-1990s, it is important to understand the impact of medical bill review costs, which include pharmacy benefit manager and third party administrator costs, on the State's workers' compensation system. Your Committees further find that not much data has been collected to allow for a review of the impact of medical bill review costs. Your Committees believe that it is crucial that the State understand the fine print of the various fee structures and the implications on its total medical bill review costs.

Your Committees have amended this measure by:

- (1) Requesting the Auditor to submit a preliminary report to the Legislature by January 1, 2019;
- (2) Requesting the State Health Planning and Development Agency to make the all-payer claims database available to assist the Auditor in compiling data for the study; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As this measure moves forward, your Committees request that your Committee on Ways and Means consider providing resources in another vehicle for the Auditor to conduct the medical bill review costs study requested in this measure.

As affirmed by the records of votes of the members of your Committees on Labor and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 54, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 54, S.D. 1.

Signed by the Chairs on behalf of the Committees.
Labor: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).
Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3287 (Joint) Labor and Commerce, Consumer Protection, and Health on S.R. No. 25

The purpose and intent of this measure is to request the Auditor to conduct a study to assess the impact of medical bill review costs on the State's workers' compensation system.

Your Committees received testimony in support of this measure from the Work Injury Medical Association of Hawaii and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from the Office of the Auditor and Department of Labor and Industrial Relations.

Your Committees find that although workers' compensation premiums in Hawaii have dropped significantly since the reforms in the mid-1990s, it is important to understand the impact of medical bill review costs, which include pharmacy benefit manager and third party administrator costs, on the State's workers' compensation system. Your Committees further find that not much data has been collected to allow for a review of the impact of medical bill review costs. Your Committees believe that it is crucial that the State understand the fine print of the various fee structures and the implications on its total medical bill review costs.

Your Committees have amended this measure by:

- (1) Requesting the Auditor to submit a preliminary report to the Legislature by January 1, 2019;
- (2) Requesting the State Health Planning and Development Agency to make the all-payer claims database available to assist the Auditor in compiling data for the study; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As this measure moves forward, your Committees request that your Committee on Ways and Means consider providing resources in another vehicle for the Auditor to conduct the medical bill review costs study requested in this measure.

As affirmed by the records of votes of the members of your Committees on Labor and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 25, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 25, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Labor: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3288 (Joint) Labor and Economic Development, Tourism, and Technology on S.C.R. No. 34

The purpose and intent of this measure is to urge the National Football League to allow injured players to use cannabidiol in pill or liquid form, in lieu of opioids, to address the pain from their work-related injuries.

Your Committees received testimony in support of this measure from the Drug Policy Forum of Hawaii.

Your Committees find that many National Football League players suffer from serious injuries during their careers due to the nature of the game and are often prescribed opioids to alleviate pain from those injuries. Your Committees also find that the dangers of overuse and abuse of opioids have been well-documented and the misuse of and addiction to opioids is a serious national crisis that affects public health as well as social and economic welfare. Your Committees further find that research studies have demonstrated that cannabidiol, although a component of marijuana, is non-intoxicating, anxiolytic, anti-inflammatory, antiemetic, and antipsychotic, therefore alleviating pain without causing the individual to “get high”. Your Committees find it may be beneficial to injured football players to be allowed to use cannabidiol in pill or liquid form, in lieu of opioids, to address the pain from their work-related injuries.

As affirmed by the records of votes of the members of your Committees on Labor and Economic Development, Tourism, and Technology that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 34 and recommend that it be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

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

Economic Development, Tourism, and Technology: Ayes, 5. Noes, none. Excused, none.

SCRep. 3289 (Joint) Labor and Economic Development, Tourism, and Technology on S.R. No. 17

The purpose and intent of this measure is to urge the National Football League to allow injured players to use cannabidiol in pill or liquid form, in lieu of opioids, to address the pain from their work-related injuries.

Your Committees received testimony in support of this measure from the Drug Policy Forum of Hawaii.

Your Committees find that many National Football League players suffer from serious injuries during their careers due to the nature of the game and are often prescribed opioids to alleviate pain from those injuries. Your Committees also find that the dangers of overuse and abuse of opioids have been well-documented and the misuse of and addiction to opioids is a serious national crisis that affects public health as well as social and economic welfare. Your Committees further find that research studies have demonstrated that cannabidiol, although a component of marijuana, is non-intoxicating, anxiolytic, anti-inflammatory, antiemetic, and antipsychotic, therefore alleviating pain without causing the individual to “get high”. Your Committees find it may be beneficial to injured football players to be allowed to use cannabidiol in pill or liquid form, in lieu of opioids, to address the pain from their work-related injuries.

As affirmed by the records of votes of the members of your Committees on Labor and Economic Development, Tourism, and Technology that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 17 and recommend that it be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

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

Economic Development, Tourism, and Technology: Ayes, 5. Noes, none. Excused, none.

SCRep. 3290 (Joint) Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on S.C.R. No. 23

The purpose and intent of this measure is to request the Federal Communications Commission to require all television stations that broadcast in Hawaii to allocate time slots in their programs to broadcast public service announcements to educate the public on how to prepare for all disasters, natural and man-made, in Hawaii.

Your Committees received testimony in support of this measure from the Disability and Communication Access Board, O’ahu County Committee on Legislative Priorities of the Democratic Party of Hawai’i, and one individual.

Your Committees find that this measure will help improve access to disaster preparedness information, especially in situations where people lack access to the Internet.

However, your Committees have heard the concerns of the Disability and Communication Access Board that this measure fails to request adequate protections for persons who are blind, are deaf, or possess cognitive disabilities. Your Committees note that public service announcements sometimes do not have audio descriptions, open captions, sign language interpretation, or basic English messages that provide information identical to the information available to persons who are not blind, not deaf, and do not have cognitive disabilities.

Accordingly, your Committees have amended this measure by:

- (1) Noting the importance of including access across various platforms for people with disabilities, including people who are blind, deaf, or hard of hearing, or who have cognitive disabilities; and
- (2) Requesting that all public service announcements be made accessible to persons with disabilities and provide information that is equivalent to information accessible to persons without disabilities, and unobstructed by any other messages.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 23, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 23, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Ihara, Thielen).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Ihara, Tokuda).

SCRep. 3291 (Joint) Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on S.R. No. 13

The purpose and intent of this measure is to request the Federal Communications Commission to require all television stations that broadcast in Hawaii to allocate time slots in their programs to broadcast public service announcements to educate the public on how to prepare for all disasters, natural and man-made, in Hawaii.

Your Committees received testimony in support of this measure from the Disability and Communication Access Board, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and Ho'omana Pono, LLC.

Your Committees find that this measure will help improve access to disaster preparedness information, especially in situations where people lack access to the Internet.

However, your Committees have heard the concerns of the Disability and Communication Access Board that this measure fails to request adequate protections for persons who are blind, are deaf, or possess cognitive disabilities. Your Committees note that public service announcements sometimes do not have audio descriptions, open captions, sign language interpretation, or basic English messages that provide information identical to the information available to persons who are not blind, not deaf, and do not have cognitive disabilities.

Accordingly, your Committees have amended this measure by:

- (1) Noting the importance of including access across various platforms for people with disabilities, including people who are blind, deaf, or hard of hearing, or who have cognitive disabilities; and
- (2) Requesting that all public service announcements be made accessible to persons with disabilities and provide information that is equivalent to information accessible to persons without disabilities, and unobstructed by any other messages.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 13, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 13, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Ihara, Thielen).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Ihara, Tokuda).

SCRep. 3292 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary on S.R. No. 77

The purpose and intent of this measure is to urge the United States Congress to reform and amend the Immigration and Nationality Act of 1965 and other relevant federal immigration laws to classify climate-related migrants as refugees in order to receive greater legal status and protection.

Your Committees received testimony in support of this measure from one individual.

Your Committees find that the challenges facing small island nations in the Pacific, such as sea-level rise, deterioration of precious watersheds, and protection of native flora and fauna, have led to increasing numbers of migrants from the region. Your Committees further find that all individuals fleeing from climate-related impacts who cross or seek to cross international borders are entitled to due process in the assessment of their legal status based on human rights principles, such as protection from persecution, equity, and freedom from discrimination. Your Committees acknowledge that climate-related migrants come from a variety of locations across the globe; however, your Committees believe that at this time it is crucial that the United States Congress focus on those individuals fleeing the negative impacts of climate change in the Pacific region.

Your Committees have amended this measure by:

- (1) Clarifying that the United States Department of Justice is urged to recognize the specific needs and special circumstances of applicants from developing nations, especially those from island nations in the Pacific that are vulnerable to climate change, when determining whether a migration may constitute a special humanitarian concern; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Judiciary that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 77, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 77, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

Judiciary: Ayes, 5. Noes, none. Excused, none.

SCRep. 3293 (Joint) Public Safety, Intergovernmental, and Military Affairs and Education on S.C.R. No. 64

The purpose and intent of this measure is to request federal funding to provide school resource officers in every school in Hawaii.

Your Committees received testimony in support of this measure from one individual. Your Committees received testimony in opposition to this measure from the American Civil Liberties Union of Hawai'i. Your Committees received comments on this measure from one individual.

Your Committees find that recent high-profile incidents of school violence involving firearms have highlighted the importance of ensuring the safety of Hawaii's students. School resource officers are career law enforcement officers with sworn authority responsible for safety and crime prevention in schools. The Office of Community Oriented Policing Services of the United States Department of Justice offers grants to cities and counties for the purpose of creating law enforcement positions, including school resource officer positions. Requesting federal funding for school resource officers will allow schools in Hawaii to take steps to better ensure the safety of students and the security of the campus.

Your Committees have amended this measure by:

- (1) Clarifying that the request for federal funding is for every intermediate and high school in Hawaii that requests it; and
- (2) Amending its title accordingly.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Education that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 64, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 64, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Thielen, Wakai).

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

SCRep. 3294 (Joint) Public Safety, Intergovernmental, and Military Affairs and Education on S.R. No. 34

The purpose and intent of this measure is to request federal funding to provide school resource officers in every school in Hawaii.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and four individuals.

Your Committees find that recent high-profile incidents of school violence involving firearms have highlighted the importance of ensuring the safety of Hawaii's students. School resource officers are career law enforcement officers with sworn authority responsible for safety and crime prevention in schools. The Office of Community Oriented Policing Services of the United States Department of Justice offers grants to cities and counties for the purpose of creating law enforcement positions, including school resource officer positions. Requesting federal funding for school resource officers will allow schools in Hawaii to take steps to better ensure the safety of students and the security of the campus.

Your Committees have amended this measure by:

- (1) Clarifying that the request for federal funding is for every intermediate and high school in Hawaii that requests it; and
- (2) Amending its title accordingly.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Education that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 34, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 34, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Thielen, Wakai).

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

SCRep. 3295 (Joint) Labor and Higher Education and Human Services on S.C.R. No. 149

The purpose and intent of this measure is to request the Department of Labor and Industrial Relations and the University of Hawaii Center on Aging to convene a working group to review in-home care services and make recommendations to improve the quality of care.

Your Committees received testimony in support of this measure from AARP Hawaii, ILWU Local 142, Caring Across Generations, Hawaii Alliance for Retired Americans, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and four individuals. Your Committees received testimony in opposition to this measure from the Department of Labor and Industrial

Relations and the University of Hawaii System. Your Committees received comments on this measure from the University of Hawaii Center on Aging.

Your Committees find that as Hawaii's population continues to age, more individuals are receiving in-home care services, making the occupation of home care worker one of the fastest growing jobs. Your Committees further find that home care workers in Hawaii are increasingly caring for highly complex client needs, including conditions such as dementia, severe and persistent mental illness, paraplegia, post-traumatic stress disorder, and multiple and complex chronic diseases which may require specialized training or certification to treat properly; therefore, it is important for the State to understand the correlation between caregiver pay, benefits, and training, and the quality of care provided in order to ensure quality care and make any needed improvements to the system.

As affirmed by the records of votes of the members of your Committees on Labor, Higher Education, and Human Services that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 149 and recommend that it be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Labor: Ayes, 3. Noes, none. Excused, 2 (English, Taniguchi).

Higher Education: Ayes, 5; Ayes with Reservations (Keith-Agaran). Noes, none. Excused, none.

Human Services: Ayes, 4. Noes, none. Excused, 1 (Harimoto).

SCRep. 3296 (Joint) Labor and Higher Education and Human Services on S.R. No. 94

The purpose and intent of this measure is to request the Department of Labor and Industrial Relations and the University of Hawaii Center on Aging to convene a working group to review in-home care services and make recommendations to improve the quality of care.

Your Committees received testimony in support of this measure from AARP Hawaii, ILWU Local 142, Caring Across Generations, Hawaii Alliance for Retired Americans, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and four individuals. Your Committees received testimony in opposition to this measure from the Department of Labor and Industrial Relations and the University of Hawaii System. Your Committees received comments on this measure from the University of Hawaii Center on Aging.

Your Committees find that as Hawaii's population continues to age, more individuals are receiving in-home care services, making the occupation of home care worker one of the fastest growing jobs. Your Committees further find that home care workers in Hawaii are increasingly caring for highly complex client needs, including conditions such as dementia, severe and persistent mental illness, paraplegia, post-traumatic stress disorder, and multiple and complex chronic diseases which may require specialized training or certification to treat properly; therefore, it is important for the State to understand the correlation between caregiver pay, benefits, and training, and the quality of care provided in order to ensure quality care and make any needed improvements to the system.

As affirmed by the records of votes of the members of your Committees on Labor, Higher Education, and Human Services that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 94 and recommend that it be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Labor: Ayes, 3. Noes, none. Excused, 2 (English, Taniguchi).

Higher Education: Ayes, 5; Ayes with Reservations (Keith-Agaran). Noes, none. Excused, none.

Human Services: Ayes, 4. Noes, none. Excused, 1 (Harimoto).

SCRep. 3297 (Joint) Education and Human Services on S.C.R. No. 81

The purpose and intent of this measure is to request the establishment of a working group to examine how the Department of Education can maximize Medicaid reimbursement for support services offered to eligible students during school hours.

Your Committees received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual. Your Committees received comments on this measure from the Department of Human Services and Hawaii Disability Rights Center.

Your Committees find that the federal Individuals with Disabilities Education Act and state laws require the Department of Education to provide a free appropriate public education, which includes a continuum of services, to students who are eligible for special education and related services. Special education may include but is not limited to academic services, speech-language services, psychological services, physical and occupational therapy, counseling services, and parent education, all at no cost to parents. Because of how critical it is for all students to receive a quality public education, a review of the Department of Education's effectiveness and efficiency in maximizing Medicaid reimbursements for support services to eligible students is necessary.

Your Committees have amended this measure by:

- (1) Specifying that the working group have the Deputy representative of the Department of the Attorney General represent the Department of Education, rather than the Department of Health;
- (2) Expanding the membership of the working group to include other persons as may be invited by the working group;
- (3) Clarifying that the working group convene by, rather than on, August 1, 2018;
- (4) Specifying that the agenda at the first convening of the working group include an update on Medicaid billing; and
- (5) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Human Services that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 81, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 81, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

SCRep. 3298 (Joint) Education and Human Services on S.R. No. 49

The purpose and intent of this measure is to request the establishment of a working group to examine how the Department of Education can maximize Medicaid reimbursement for support services offered to eligible students during school hours.

Your Committees received testimony in support of this measure from the Hawaii State Teachers Association and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that the federal Individuals with Disabilities Education Act and state laws require the Department of Education to provide a free appropriate public education, which includes a continuum of services, to students who are eligible for special education and related services. Special education may include but is not limited to academic services, speech-language services, psychological services, physical and occupational therapy, counseling services, and parent education, all at no cost to parents. Because of how critical it is for all students to receive a quality public education, a review of the Department of Education's effectiveness and efficiency in maximizing Medicaid reimbursements for support services to eligible students is necessary.

Your Committees have amended this measure by:

- (1) Specifying that the working group have the Deputy representative of the Department of the Attorney General represent the Department of Education, rather than the Department of Health;
- (2) Expanding the membership of the working group to include other persons as may be invited by the working group;
- (3) Clarifying that the working group convene by, rather than on, August 1, 2018;
- (4) Specifying that the agenda at the first convening of the working group include an update on Medicaid billing; and
- (5) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Education and Human Services that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 49, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 49, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

SCRep. 3299 (Joint) Economic Development, Tourism, and Technology and Commerce, Consumer Protection, and Health on S.C.R. No. 131

The purpose and intent of this measure is to urge the Department of Taxation to enforce section 237D-4, Hawaii Revised Statutes, by regularly checking online advertisements for transient accommodations for compliance with section 237-4(c), Hawaii Revised Statutes.

Your Committees received testimony in support of this measure from Save O'ahu Neighborhoods and four individuals. Your Committees received comments on this measure from the Department of Taxation.

Your Committees find that vacation rentals have become a pressing matter for the State, with a number of vacation rentals operating without being appropriately registered, thereby evading the transient accommodations tax and general excise tax. Your Committees further find that Act 204, Session Laws of Hawaii 2015 (Act 204), enables the Department of Taxation to, among other things, require an operator to post or make available the registration identification number for a transient accommodation or resort time share vacation interest, plan, or unit in Hawaii. Act 204 further authorizes the Department of Taxation to issue citations to any transient accommodations operator who fails to comply with the information posting requirements and has the authority to fine any operator for failure to post the registration identification number conspicuously.

Your Committees believe that the Department of Taxation should enforce Act 204 and constantly check to ensure that all transient accommodations are complying with tax laws, thereby receiving the full amount of taxes owed to the State.

Your Committees have amended this measure by adding language to request the Department of Taxation to work with various county departments to gather and share information that is necessary and pertinent for the Department of Taxation to collect the full amount of taxes owed from transient accommodation operators and plan managers.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 131, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 131, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Taniguchi).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 3300 (Joint) Economic Development, Tourism, and Technology and Higher Education on S.C.R. No. 143

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism and the Applied Research Laboratory at the University of Hawaii to convene a working group to provide advice on the development and risks of drone usage and to inform policy decisions regarding drones.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; University of Hawai'i System; Aerospace States Association; and two individuals.

Your Committees find that unmanned aircraft systems have significant benefits in a variety of industries, such as public safety, health, conservation, education, and entertainment. Your Committees believe that unmanned aircraft systems usage has the potential to expand growth for businesses, encourage youth to participate in science, technology, engineering, and mathematics education, and provide access to inaccessible or unchartered areas, among other practical applications. Your Committees find that more research should be done to better understand the benefits and risks of using unmanned aircraft systems throughout the State and believe that a working group of qualified individuals will enlighten the State on more beneficial and safe uses of unmanned aircraft systems around the State.

Your Committees have amended this measure by:

- (1) Replacing any reference to "drones" with "unmanned aircraft systems", as defined by the Federal Aviation Administration;
- (2) Including a representative from Hawaii UAV Service, LLC, to be invited to participate in the working group;
- (3) Amending its title to reflect its amended purpose; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Higher Education that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 143, as amended herein, and recommend that it be referred to your Committee on Commerce, Consumer Protection, and Health, in the form attached hereto as S.C.R. No. 143, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

Higher Education: Ayes, 3. Noes, none. Excused, 2 (Kidani, Kim).

SCRep. 3301 Higher Education on S.C.R. No. 85

The purpose and intent of this measure is to urge the University of Hawai'i System's Vice President for Budget and Finance to develop a plan to redevelop the lower campus of the University of Hawai'i at Mānoa through a public private partnership.

Your Committee received comments on this measure from the University of Hawai'i System and Ho'omanapono Political Action Committee.

Your Committee finds that the lower campus of the University of Hawai'i at Mānoa has a vast amount of underutilized lands that have the potential to encompass a "live, study, play" concept, similar to a university village or to transitional housing for new graduates starting their professional lives. Your Committee further finds that public private partnerships for redevelopment offer opportunities to minimize the amount of capital the State would otherwise need to provide. Specifically for the University of Hawai'i at Mānoa, public private partnerships offer opportunities to generate revenue and revitalize the campus by establishing work force or student housing, areas for commerce and businesses, restaurants, new athletic buildings, fitness centers, and other community resources.

Your Committee has amended this measure by:

- (1) Amending its title to correct a technical reference to the position of Vice President for Budget and Finance; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 85, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 85, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3302 Higher Education on S.R. No. 53

The purpose and intent of this measure is to urge the University of Hawai'i System's Vice President for Budget and Finance to develop a plan to redevelop the lower campus of the University of Hawai'i at Mānoa through a public private partnership.

Your Committee received comments on this measure from the University of Hawai'i System and Ho'omanapono Political Action Committee.

Your Committee finds that the lower campus of the University of Hawai'i at Mānoa has a vast amount of underutilized lands that have the potential to encompass a "live, study, play" concept, similar to a university village or to transitional housing for new graduates starting their professional lives. Your Committee further finds that public private partnerships for redevelopment offer opportunities to minimize the amount of capital the State would otherwise need to provide. Specifically for the University of Hawai'i at Mānoa, public private partnerships offer opportunities to generate revenue and revitalize the campus by establishing work force or student housing, areas for commerce and businesses, restaurants, new athletic buildings, fitness centers, and other community resources.

Your Committee has amended this measure by:

- (1) Amending its title to correct a technical reference to the position of Vice President for Budget and Finance; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 53, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 53, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3303 Higher Education on S.C.R. No. 166

The purpose and intent of this measure is to urge the University of Hawai'i System to utilize and expand existing curriculum and programs across the various campuses rather than allow each campus to create its own curriculum and programs.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received testimony in opposition to this measure from the University of Hawai'i System.

Your Committee finds that the University of Hawai'i at Mānoa offers a wide range of undergraduate and graduate degrees, minors, and certificate programs, including sixty-five certificates, one hundred bachelor's degrees, eighty-three master's degrees, fifty-six doctoral degrees, and five professional degrees. However, the University of Hawai'i System, among its ten campuses, has duplicative efforts in the form of curriculum and programs, which require time and investment of resources. As a public university that receives public funding, it is important that the costs of operating the University of Hawai'i are adequately covered and that there is an effort to utilize existing programs and resources in an effective and efficient manner.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 166 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3304 Higher Education on S.R. No. 125

The purpose and intent of this measure is to urge the University of Hawai'i System to utilize and expand existing curriculum and programs across the various campuses rather than allow each campus to create its own curriculum and programs.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received testimony in opposition to this measure from the University of Hawai'i System.

Your Committee finds that the University of Hawai'i at Mānoa offers a wide range of undergraduate and graduate degrees, minors, and certificate programs, including sixty-five certificates, one hundred bachelor's degrees, eighty-three master's degrees, fifty-six doctoral degrees, and five professional degrees. However, the University of Hawai'i System, among its ten campuses, has duplicative efforts in the form of curriculum and programs, which require time and investment of resources. As a public university that receives public funding, it is important that the costs of operating the University of Hawai'i are adequately covered and that there is an effort to utilize existing programs and resources in an effective and efficient manner.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 125 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3305 (Joint) Transportation and Energy and Government Operations on S.C.R. No. 90

The purpose and intent of this measure is to request the:

- (1) Department of Accounting and General Services to examine projects that would reduce energy costs for state departments and agencies, and submit a report of its findings and recommendations;
- (2) Office of the Auditor to examine potential energy savings costs for state departments and agencies, and submit a report of its findings and recommendations; and
- (3) State Procurement Office to update and publish the Energy Savings Performance Contracting list.

Your Committees received testimony in support of this measure from the State Procurement Office, Ulupono Initiative, NORESKO, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from the Department of Accounting and General Services and Office of the Auditor.

Your Committees find that Hawaii has been a leader among governments committing to clean, renewable energy. Using renewable energy helps minimize the negative environmental consequences of using fossil fuel, allows Hawaii to be more energy independent, and reduces energy costs in the State. The latter is particularly important for state and county agencies, as the government is a major consumer of electricity, and millions of dollars can be saved through energy-efficient measures. However, your Committees note that despite laws requiring government agencies to identify and implement energy-efficient retrofits, maintenance has not been done regularly. In the face of increasing electricity costs, your Committees believe that identifying and implementing energy-efficiency

projects, ranging from retrofitting buildings to investing in more energy efficient equipment, will reduce energy costs for state departments and agencies and is of utmost importance.

Your Committees note that the Office of the Auditor provided testimony concerned about its ability to complete an “energy audit”, pointing to the:

- (1) Limited technical knowledge of energy-related technologies that the Office of the Auditor possesses, as it typically performs performance or management audits, rather than technical audits; and
- (2) Broad scope of the request to assess every state department and agency.

Your Committees further note that the State Procurement Office provided testimony explaining that publishing the Energy Savings Performance Contracting list by July 1, 2018, was infeasible. The State Procurement Office noted the timelines for previous vendor lists, pointing to the seven months and five months, respectively, required to receive and review competitive sealed proposals and qualify contractors for the past two Energy Savings Performance Contracting lists.

Accordingly, your Committees have amended this measure by:

- (1) Requesting the Department of Business, Economic Development, and Tourism to examine projects that would reduce energy costs for state departments and agencies, instead of the Department of Accounting and General Services;
- (2) Requesting the Department of Business, Economic Development, and Tourism to work with the Office of the Auditor to examine potential energy savings costs for state departments and agencies;
- (3) Changing the date by which the State Procurement Office is requested to update and publish the Energy Savings Performance Contracting list, from July 1, 2018, to July 1, 2019; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Government Operations that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 90, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 90, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Shimabukuro).

Government Operations: Ayes, 5. Noes, none. Excused, none.

SCRep. 3306 (Joint) Transportation and Energy and Government Operations on S.R. No. 139

The purpose and intent of this measure is to request the:

- (1) Department of Accounting and General Services to examine projects that would reduce energy costs for state departments and agencies, and submit a report of its findings and recommendations;
- (2) Office of the Auditor to examine potential energy savings costs for state departments and agencies, and submit a report of its findings and recommendations; and
- (3) State Procurement Office to update and publish the Energy Savings Performance Contracting list.

Your Committees received testimony in support of this measure from the State Procurement Office, Ulupono Initiative, and O’ahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i. Your Committees received comments on this measure from the Department of Accounting and General Services and Office of the Auditor.

Your Committees find that Hawaii has been a leader among governments committing to clean, renewable energy. Using renewable energy helps minimize the negative environmental consequences of using fossil fuel, allows Hawaii to be more energy independent, and reduces energy costs in the State. The latter is particularly important for state and county agencies, as the government is a major consumer of electricity, and millions of dollars can be saved through energy-efficient measures. However, your Committees note that despite laws requiring government agencies to identify and implement energy-efficient retrofits, maintenance has not been done regularly. In the face of increasing electricity costs, your Committees believe that identifying and implementing energy-efficiency projects, ranging from retrofitting buildings to investing in more energy efficient equipment, will reduce energy costs for state departments and agencies and is of utmost importance.

Your Committees note that the Office of the Auditor provided testimony concerned about its ability to complete an “energy audit”, pointing to the:

- (1) Limited technical knowledge of energy-related technologies that the Office of the Auditor possesses, as it typically performs performance or management audits, rather than technical audits; and
- (2) Broad scope of the request to assess every state department and agency.

Your Committees further note that the State Procurement Office provided testimony explaining that publishing the Energy Savings Performance Contracting list by July 1, 2018, was infeasible. The State Procurement Office noted the timelines for previous vendor lists, pointing to the seven months and five months, respectively, required to receive and review competitive sealed proposals and qualify contractors for the past two Energy Savings Performance Contracting lists.

Accordingly, your Committees have amended this measure by:

- (1) Requesting the Department of Business, Economic Development, and Tourism to examine projects that would reduce energy costs for state departments and agencies, instead of the Department of Accounting and General Services;

- (2) Requesting the Department of Business, Economic Development, and Tourism to work with the Office of the Auditor to examine potential energy savings costs for state departments and agencies;
- (3) Changing the date by which the State Procurement Office is requested to update and publish the Energy Savings Performance Contracting list, from July 1, 2018, to July 1, 2019; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Government Operations that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 139, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 139, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Shimabukuro).

Government Operations: Ayes, 5. Noes, none. Excused, none.

SCRep. 3307 Transportation and Energy on S.C.R. No. 89

The purpose and intent of this measure is to request the Department of Transportation to convene a working group to conduct a study on the personal vehicle rental industry.

Your Committee received testimony in support of this measure from Enterprise Holdings. Your Committee received testimony in opposition to this measure from the Department of Transportation. Your Committee received comments on this measure from Turo, Inc.

Your Committee finds that improvements in communication technology has allowed private individuals to easily lease personal property and provide services without regard to laws and regulations. One of these new opportunities, known as peer-to-peer car sharing, is to rent personal vehicles to other individuals. Your Committee finds that this business model is currently unregulated, so there are no laws or rules to ensure that drivers are qualified or that vehicles meet insurance and vehicle safety standards.

At the hearing on this measure, Turo, Inc., a peer-to-peer car sharing company in Hawaii, expressed concern that no representatives from the peer-to-peer car sharing industry were requested to be invited to the working group.

Accordingly, your Committee has amended this measure by:

- (1) Requesting that the Department of Transportation include two representatives from the peer-to-peer car sharing industry in the working group; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 89, as amended herein, and recommends that it be referred to your Committee on Commerce, Consumer Protection, and Health, in the form attached hereto as S.C.R. No. 89, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3308 Transportation and Energy on S.R. No. 140

The purpose and intent of this measure is to request the Department of Transportation to convene a working group to conduct a study on the personal vehicle rental industry.

Your Committee did not receive any testimony on this measure.

Your Committee finds that improvements in communication technology has allowed private individuals to easily lease personal property and provide services without regard to laws and regulations. One of these new opportunities, known as peer-to-peer car sharing, is to rent personal vehicles to other individuals. Your Committee finds that this business model is currently unregulated, so there are no laws or rules to ensure that drivers are qualified or that vehicles meet insurance and vehicle safety standards.

Your Committee notes that no representatives from the peer-to-peer car sharing industry were requested to be invited to the working group.

Accordingly, your Committee has amended this measure by:

- (1) Requesting that the Department of Transportation include two representatives from the peer-to-peer car sharing industry in the working group; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 140, as amended herein, and recommends that it be referred to your Committee on Commerce, Consumer Protection, and Health, in the form attached hereto as S.R. No. 140, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3309 (Joint/Majority) Public Safety, Intergovernmental, and Military Affairs and Economic Development, Tourism, and Technology and Commerce, Consumer Protection, and Health on S.C.R. No. 84

The purpose and intent of this measure is to:

- (1) Urge each county in the State to develop and administer a permitting system for non-permitted, owner-occupied transient vacation units and a land use amnesty program to waive outstanding liabilities for illegal transit vacation units; and
- (2) Urge each county to publicize the permitting system and land use amnesty program to maximize public awareness and encourage participation in the program and to contract with appropriate advertising agencies to accomplish this goal.

Your Committees received testimony in support of this measure from Page Marketing, Inc. Your Committees received testimony in opposition to this measure from Keep It Kailua and four individuals. Your Committees received comments on this measure from the Office of Hawaiian Affairs and Department of Planning and Permitting, City and County of Honolulu.

The Hawaii Tourism Authority estimates that there are 2,177 transient vacation rentals in the State that are advertised online. Your Committees find that existing laws and ordinances allow transient vacation units to operate in resort districts; however, the counties are seeking options to authorize owner-occupied units outside of resort districts to continue operating as short-term rentals. A county permitting program may encourage owners of transient vacation units to register their properties for short-term rental use and comply with relevant laws and ordinances.

Your Committees note the concern raised by members of your Committees regarding the potential for a county permitting system to grant owners of unpermitted transient vocational rentals a status of government-sanctioned legality or permission. Members of your Committees offered suggestions to request the counties to establish a reporting hotline or conduct an investigation in lieu of developing a permitting system or to request the counties to grant permits only after establishing standards for issuing permits, such as criteria based on the transient vacation unit capacity of each community. Your Committees request your Committee on Ways and Means to further consider and weigh these issues and suggested options.

Your Committees have amended this measure by:

- (1) Deleting language referencing the development and administration of a land use amnesty program to waive outstanding liabilities for transient vacation units; and
- (2) Amending its title in accordance with its amended purpose.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs, Economic Development, Tourism, and Technology, and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 84, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 84, S.D. 1.

Signed by the Chairs and President on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, 2 (Ihara, Thielen). Excused, none.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, 1 (Thielen). Excused, 1 (Taniguchi).

Commerce, Consumer Protection, and Health: Ayes, 4; Ayes with Reservations (Espero). Noes, 3 (Chang, Ihara, Ruderman). Excused, none.

SCRep. 3310 (Joint/Majority) Public Safety, Intergovernmental, and Military Affairs and Economic Development, Tourism, and Technology and Commerce, Consumer Protection, and Health on S.R. No. 52

The purpose and intent of this measure is to:

- (1) Urge each county in the State to develop and administer a permitting system for non-permitted, owner-occupied transient vacation units and a land use amnesty program to waive outstanding liabilities for illegal transit vacation units; and
- (2) Urge each county to publicize the permitting system and land use amnesty program to maximize public awareness and encourage participation in the program and to contract with appropriate advertising agencies to accomplish this goal.

Your Committees received testimony in opposition to this measure from Keep It Kailua and three individuals. Your Committees received comments on this measure from the Office of Hawaiian Affairs and Department of Planning and Permitting, City and County of Honolulu.

The Hawaii Tourism Authority estimates that there are 2,177 transient vacation rentals in the State that are advertised online. Your Committees find that existing laws and ordinances allow transient vacation units to operate in resort districts; however, the counties are seeking options to authorize owner-occupied units outside of resort districts to continue operating as short-term rentals. A county permitting program may encourage owners of transient vacation units to register their properties for short-term rental use and comply with relevant laws and ordinances.

Your Committees note the concern raised by members of your Committees regarding the potential for a county permitting system to grant owners of unpermitted transient vocational rentals a status of government-sanctioned legality or permission. Members of your Committees offered suggestions to request the counties to establish a reporting hotline or conduct an investigation in lieu of developing a permitting system or to request the counties to grant permits only after establishing standards for issuing permits, such as criteria based on the transient vacation unit capacity of each community. Your Committees request your Committee on Ways and Means to further consider and weigh these issues and suggested options.

Your Committees have amended this measure by:

- (1) Deleting language referencing the development and administration of a land use amnesty program to waive outstanding liabilities for transient vacation units; and
- (2) Amending its title in accordance with its amended purpose.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs, Economic Development, Tourism, and Technology, and Commerce, Consumer Protection, and Health that are attached to this report,

your Committees concur with the intent and purpose of S.R. No. 52, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 52, S.D. 1.

Signed by the Chairs and President on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, 2 (Ihara, Thielen). Excused, none.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, 1 (Thielen). Excused, 1 (Taniguchi).

Commerce, Consumer Protection, and Health: Ayes, 4; Ayes with Reservations (Espero). Noes, 3 (Chang, Ihara, Ruderman). Excused, none.

SCRep. 3311 (Joint) Commerce, Consumer Protection, and Health and Labor on S.C.R. No. 83

The purpose and intent of this measure is to request the Executive Office on Aging to conduct a study and prepare a report on the impacts of an aging population in Hawaii.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and one individual. Your Committees received comments on this measure from the Executive Office on Aging.

Your Committees find that Hawaii has the highest life expectancy in the United States for those over sixty-five years of age. Your Committees further find that the State has unfunded pension and health benefit liabilities totaling nearly \$24,000,000,000 and that Hawaii needs to make plans and set policies to ensure that the State is prepared for a large aging population.

Your Committees have heard the concerns of an individual testifier that the potential closure of Leahi and Maluhia Hospitals will only reduce resources available to the aging population. Your Committees note that the closure of those hospitals will increase the burdens on other care providers, and that alternatives may need to be considered. Your Committees also find that an aging population is likely to require additional long-term care services and bed space.

Your Committees have amended this measure by:

- (1) Requesting that the Executive Office on Aging's report also include an assessment of the availability of long-term care services and bed space in Hawaii; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Labor that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 83, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 83, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ihara).

Labor: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

SCRep. 3312 (Joint) Commerce, Consumer Protection, and Health and Labor on S.R. No. 51

The purpose and intent of this measure is to request the Executive Office on Aging to conduct a study and prepare a report on the impacts of an aging population in Hawaii.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and one individual. Your Committees received comments on this measure from the Executive Office on Aging.

Your Committees find that Hawaii has the highest life expectancy in the United States for those over sixty-five years of age. Your Committees further find that the State has unfunded pension and health benefit liabilities totaling nearly \$24,000,000,000 and that Hawaii needs to make plans and set policies to ensure that the State is prepared for a large aging population.

Your Committees have heard the concerns of an individual testifier that the potential closure of Leahi and Maluhia Hospitals will only reduce resources available to the aging population. Your Committees note that the closure of those hospitals will increase the burdens on other care providers, and that alternatives may need to be considered. Your Committees also find that an aging population is likely to require additional long-term care services and bed space.

Your Committees have amended this measure by:

- (1) Requesting that the Executive Office on Aging's report also include an assessment of the availability of long-term care services and bed space in Hawaii; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Labor that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 51, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 51, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ihara).

Labor: Ayes, 4. Noes, none. Excused, 1 (Taniguchi).

SCRep. 3313 (Joint) Hawaiian Affairs and Water and Land on S.C.R. No. 134

The purpose and intent of this measure is to approve the sale of the fee simple interest in certain parcels in Kaka'ako owned by the Office of Hawaiian Affairs to the City and County of Honolulu.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs and Department of Environmental Services of the City and County of Honolulu. Your Committees received testimony in opposition to this measure from the Ho'omanapono Political Action Committee and two individuals.

Your Committees find that pursuant to Act 15, Session Laws of Hawaii 2012, the State of Hawai'i transferred the fee simple interest in certain parcels in Kaka'ako, including tax map key no. (1) 2-1-015:061, to the Office of Hawaiian Affairs. Your Committees further find that the City and County of Honolulu requires parts of that land to address municipal sewage needs and increase system capacity to service the east Honolulu service basin, including other Kaka'ako makai lands.

Your Committees note that section 171-64.7, Hawaii Revised Statutes requires, among other things, prior approval from the Legislature, by concurrent resolution, to sell in fee simple certain lands classed as government or crown lands previous to August 15, 1895, or acquired or reserved by the government upon or subsequent to that date by purchase, exchange, escheat, or the exercise of the right of eminent domain, or any other manner. In addition, section 171-64.7(c), Hawaii Revised Statutes, further requires the concurrent resolution to include certain information to justify the sale of the lands. Your Committees find that the Office of Hawaiian Affairs has submitted the required information, which is reflected in this measure. Your Committees believe that using the specified land to develop a major pump station and other wastewater facilities will benefit the City and County of Honolulu by reducing potential future wastewater spills and odors.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water and Land that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 134 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (English, Green).

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3314 (Joint) Water and Land and Agriculture and Environment on S.C.R. No. 146

The purpose and intent of this measure is to urge actions to restore and preserve the Kawainui-Hāmākua Marsh Complex and preparation of a comprehensive wetlands ecosystem restoration plan, a detailed waterbird habitat restoration plan, and a comprehensive wetlands management plan to protect Hawaii's four endangered waterbirds and visiting migratory waterbirds in the Kawainui-Hāmākua Marsh Complex.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Environmental Caucus of the Democratic Party of Hawai'i, Hawaiian Civic Club of Honolulu, Lani-Kailua Outdoor Circle, Kanehili Cultural Hui, The Outdoor Circle, Hawaii's Thousand Friends, Hawaii Audubon Society, and twenty-six individuals. Your Committees received testimony in opposition to this measure from the Kailua Hawaiian Civic Club, Hālau Mōhala 'Ilima, Kawainui Marsh Environmental Education Initiative, Hika'alani, Hui Kawainui-Kailua Ka Wai Ola, and five individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that wetland ecosystems play a vital role in nutrient cycling, water quality, endangered species habitat, and flood and storm surge control. According to the Department of Land and Natural Resources, in Hawaii, approximately thirty-one percent of coastal lowland wetlands have been lost due to human impacts, and most of the remaining wetlands are seriously degraded. The 850-acre wetland complex at Kawainui and Hāmākua is the largest freshwater wetland in the State, however its functionality is limited. Years of degradation of the wetlands via sedimentation, invasion of invasive species, and urbanization have drastically altered the ecological and wildlife habitat function of the wetlands. This measure provides a comprehensive plan to restore and preserve the Kawainui-Hāmākua Marsh Complex, especially with respect to the protection of waterbirds.

Your Committees note the concerns raised in testimony submitted by various stakeholders that this measure may close access to the Kawainui-Hāmākua Marsh Complex for all visitors, including individuals exercising Native Hawaiian cultural practices and gathering rights. Furthermore, stakeholders expressed concerns regarding the termination of month-to-month permits and long-term leases for use of state lands, termination of commercial activities on state land in or within a certain distance of the Kawainui-Hāmākua Marsh Complex, and the location of public restrooms that are not connected to an existing municipal wastewater treatment facility.

Accordingly, your Committees have amended this measure by:

- (1) Correcting the title to urge actions to preserve, rather than reserve, the Kawainui-Hāmākua Marsh Complex;
- (2) Clarifying that the Department of Land and Natural Resources' draft management plan for the Kawainui-Hāmākua Marsh Complex recommends that the Board of Land and Natural Resources grant long-term leases of state land to non-profit, rather than private, organizations to allow these organizations to construct several buildings and restrooms with septic leach fields adjacent to the wetlands, rather than within a few yards of the wetlands that will be closed to the public;
- (3) Removing language regarding the estimated total cost of the Department of Land and Natural Resources' draft management plan for the Kawainui-Hāmākua Marsh Complex;
- (4) Clarifying that the Department of Land and Natural Resources and the City and County of Honolulu are urged to address, rather than prioritize, the removal of the central peat mat in Kawainui Marsh to prevent future flooding;
- (5) Clarifying that the Department of Land and Natural Resources is urged to close the Kawainui-Hāmākua Marsh Complex to all commercial and recreational activities, rather than all visitors, during the wetland birds' nesting season;
- (6) Adding language that allows individuals to continue to exercise Native Hawaiian cultural practices and gathering rights during the wetland birds' nesting season at the Kawainui-Hāmākua Marsh Complex;
- (7) Removing language that would have:

- (A) Urged the Board of Land and Natural Resources to terminate the granting of month-to-month permits or long-term leases for use of state land within two thousand feet of the Kawainui-Hāmākua Marsh Complex; and
- (B) Urged the Board of Land and Natural Resources to prohibit commercial activity on state land in or within two thousand feet of the Kawainui-Hāmākua Marsh Complex;
- (8) Clarifying that the Board of Land and Natural Resources is urged to prohibit all restrooms on state land within two thousand feet of the Kawainui-Hāmākua Marsh Complex; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Agriculture and Environment that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 146, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 146, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

SCRep. 3315 (Joint) Water and Land and Agriculture and Environment on S.C.R. No. 123

The purpose and intent of this measure is to urge the Department of Land and Natural Resources to prohibit individuals from approaching within fifty feet of a Hawaiian monk seal, except for a licensed professional who is qualified to provide aid to the Hawaiian monk seal.

Your Committees received testimony in support of this measure from the O‘ahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i, Animal Rights Hawai‘i, West Hawaii Humane Society, For the Fishes, Keiko Conservation, and seven individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that the Hawaiian monk seal is one of the world’s most critically endangered species of marine mammal. The National Oceanic and Atmospheric Administration has reported that a number of habituated seals have become a serious safety risk to humans, or suffered injuries as a result of human infringement and interaction. This measure provides protection for Hawaiian monk seals from human interaction.

Your Committees note that the Department of Land and Natural Resources works with the National Oceanic and Atmospheric Administration, pursuant to a Joint Enforcement Agreement, to enforce federal laws that prohibit the harassment of Hawaiian monk seals and federal marine wildlife viewing guidelines that recommend remaining at least fifty yards away. Thus, the National Oceanic and Atmospheric Administration is the primary agency responsible for establishing regulations and guidelines to protect Hawaiian monk seals and prevent harmful interaction by humans.

Accordingly, your Committees have amended this measure by:

- (1) Adopting the recommendation made by the Department of Land and Natural Resources to urge the National Oceanic and Atmospheric Administration, rather than the Department, to prohibit individuals from approaching within fifty feet of a Hawaiian monk seal;
- (2) Amending its title accordingly;
- (3) Adding the Assistant Secretary of Commerce for Oceans and Atmosphere for the Department of Commerce in the National Oceanic and Atmospheric Administration as a recipient; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Agriculture and Environment that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 123, as amended herein, and recommend that it be referred to your Committee on Judiciary, in the form attached hereto as S.C.R. No. 123, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

SCRep. 3316 (Joint) Water and Land and Agriculture and Environment on S.R. No. 82

The purpose and intent of this measure is to urge the Department of Land and Natural Resources to prohibit individuals from approaching within fifty feet of a Hawaiian monk seal, except for a licensed professional who is qualified to provide aid to the Hawaiian monk seal.

Your Committees received testimony in support of this measure from the O‘ahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i, Animal Rights Hawai‘i, West Hawaii Humane Society, For the Fishes, Keiko Conservation, and seven individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that the Hawaiian monk seal is one of the world’s most critically endangered species of marine mammal. The National Oceanic and Atmospheric Administration has reported that a number of habituated seals have become a serious safety risk to humans, or suffered injuries as a result of human infringement and interaction. This measure provides protection for Hawaiian monk seals from human interaction.

Your Committees note that the Department of Land and Natural Resources works with the National Oceanic and Atmospheric Administration, pursuant to a Joint Enforcement Agreement, to enforce federal laws that prohibit the harassment of Hawaiian monk seals and federal marine wildlife viewing guidelines that recommend remaining at least fifty yards away. Thus, the National Oceanic and Atmospheric Administration is the primary agency responsible for establishing regulations and guidelines to protect Hawaiian monk seals and prevent harmful interaction by humans.

Accordingly, your Committees have amended this measure by:

- (1) Adopting the recommendation made by the Department of Land and Natural Resources to urge the National Oceanic and Atmospheric Administration, rather than the Department, to prohibit individuals from approaching within fifty feet of a Hawaiian monk seal;
- (2) Amending its title accordingly;
- (3) Adding the Assistant Secretary of Commerce for Oceans and Atmosphere for the Department of Commerce in the National Oceanic and Atmospheric Administration as a recipient; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Agriculture and Environment that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 82, as amended herein, and recommend that it be referred to your Committee on Judiciary, in the form attached hereto as S.R. No. 82, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

SCRep. 3317 (Joint) Water and Land and Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 177

The purpose and intent of this measure is to request the State and the counties to implement the recommendations of the Hawaii Sea Level Rise Vulnerability and Adaptation Report.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Board of Water Supply of the City and County of Honolulu, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and two individuals. Your Committees received comments on this measure from the Office of Planning.

Your Committees find that Act 32, Session Laws of Hawaii 2017, established the Hawaii Climate Change Mitigation and Adaptation Commission and directed the Commission, as a first step, to focus on and develop sea level rise vulnerability and adaptation reports that are required to include:

- (1) Identification of the major areas of sea level rise impacts affecting the State and counties through 2050;
- (2) Identification of expected impacts of sea level rise based on the latest scientific research for each area through 2050;
- (3) Identification of the economic ramifications of sea level rise;
- (4) Identification of applicable federal laws, policies, or programs that impact affected areas; and
- (5) Recommendations for planning, management, and adaptation for hazards associated with increasing sea level rise.

The Hawaii Climate Change Mitigation and Adaptation Commission submitted a Hawaii Sea Level Rise Vulnerability and Adaptation Report in December 2017. The report identifies, with maps at tax map key detail, areas that are susceptible to sea level rise impacts based on a 3.2-foot increase in sea level projected to occur by mid-century or earlier. These areas are designated as the sea level rise exposure area projection, which the Commission recommends be adopted as a sea level rise exposure area overlay to guide state and county adaptation strategies and standards for development. The report also made a number of recommendations to state and county agencies based on emerging good practices to strengthen Hawaii's overall readiness to face sea level rise and climate change. Accordingly, this measure requests various state and county entities to implement the recommendations of the Hawaii Sea Level Rise Vulnerability and Adaptation Report.

As affirmed by the records of votes of the members of your Committees on Water and Land and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 177 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 3318 (Joint) Water and Land and Public Safety, Intergovernmental, and Military Affairs on S.R. No. 106

The purpose and intent of this measure is to request the State and the counties to implement the recommendations of the Hawaii Sea Level Rise Vulnerability and Adaptation Report.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Board of Water Supply of the City and County of Honolulu, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and two individuals. Your Committees received comments on this measure from the Office of Planning.

Your Committees find that Act 32, Session Laws of Hawaii 2017, established the Hawaii Climate Change Mitigation and Adaptation Commission and directed the Commission, as a first step, to focus on and develop sea level rise vulnerability and adaptation reports that are required to include:

- (1) Identification of the major areas of sea level rise impacts affecting the State and counties through 2050;
- (2) Identification of expected impacts of sea level rise based on the latest scientific research for each area through 2050;
- (3) Identification of the economic ramifications of sea level rise;
- (4) Identification of applicable federal laws, policies, or programs that impact affected areas; and
- (5) Recommendations for planning, management, and adaptation for hazards associated with increasing sea level rise.

The Hawaii Climate Change Mitigation and Adaptation Commission submitted a Hawaii Sea Level Rise Vulnerability and Adaptation Report in December 2017. The report identifies, with maps at tax map key detail, areas that are susceptible to sea level rise impacts based on a 3.2-foot increase in sea level projected to occur by mid-century or earlier. These areas are designated as the sea level rise exposure area projection, which the Commission recommends be adopted as a sea level rise exposure area overlay to guide state and county adaptation strategies and standards for development. The report also made a number of recommendations to state and county agencies based on emerging good practices to strengthen Hawaii's overall readiness to face sea level rise and climate change. Accordingly, this measure requests various state and county entities to implement the recommendations of the Hawaii Sea Level Rise Vulnerability and Adaptation Report.

As affirmed by the records of votes of the members of your Committees on Water and Land and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 106 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 3319 (Joint) Water and Land and Agriculture and Environment on S.C.R. No. 117

The purpose and intent of this measure is to:

- (1) Request the Department of Health to convene a task force to identify barriers and solutions to expanded water reuse in the State; and
- (2) Request the task force to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature prior to the Regular Session of 2019.

Your Committees received testimony in support of this measure from the Department of Health, Department of Environmental Management of the County of Hawai'i, Board of Water Supply of the City and County of Honolulu, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Ulupono Initiative, The Nature Conservancy, Hawai'i Community Foundation, Ho'omanapono Political Action Committee, and two individuals.

Your Committees find that Hawai'i has been blessed with consistent rainfall, advantageous geology for aquifers, and high quality drinking water stores, but recent findings raise concerns about the long-term fresh water security for the State. Studies have documented troubling trends, including reduced rainfall, higher evaporation rates, and declining stream flows. Along with a projected population rise, these troubling trends generate a sense of uncertainty and urgency to guard the State's future water supply, and suggest that Hawai'i is entering an era of fresh water uncertainty. Increasing the amount of water reuse in the State will alleviate pressure on fresh drinking water supplies. This measure builds upon the work of Wai Maoli: Hawai'i Fresh Water Initiative, organized by the Hawai'i Community Foundation, and emphasizes that water reuse initiatives are applicable and relevant to the entire State.

Your Committees have amended this measure by:

- (1) Adding language that defines water reuse;
- (2) Adding language to emphasize that water reuse initiatives are applicable and relevant to the entire State;
- (3) Adding the Chairperson of the Board of Land and Natural Resources, a member of the Commission on Water Resource Management other than the Chairperson of the Board of Land and Natural Resources, and the Chairperson of the Board of Agriculture as members of the task force;
- (4) Adding the Chairperson of the Board of Land and Natural Resources and Chairperson of the Board of Agriculture as recipients; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Agriculture and Environment that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 117, as amended herein, and recommend that it be referred to your Committee on Commerce, Consumer Protection, and Health, in the form attached hereto as S.C.R. No. 117, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

SCRep. 3320 (Joint) Water and Land and Agriculture and Environment on S.R. No. 74

The purpose and intent of this measure is to:

- (1) Request the Department of Health to convene a task force to identify barriers and solutions to expanded water reuse in the State; and

- (2) Request the task force to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature prior to the Regular Session of 2019.

Your Committees received testimony in support of this measure from the Department of Health, Department of Environmental Management of the County of Hawai'i, Board of Water Supply of the City and County of Honolulu, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Ulupono Initiative, The Nature Conservancy, Hawai'i Community Foundation, Ho'omanapono Political Action Committee, and two individuals.

Your Committees find that Hawai'i has been blessed with consistent rainfall, advantageous geology for aquifers, and high quality drinking water stores, but recent findings raise concerns about the long-term fresh water security for the State. Studies have documented troubling trends, including reduced rainfall, higher evaporation rates, and declining stream flows. Along with a projected population rise, these troubling trends generate a sense of uncertainty and urgency to guard the State's future water supply, and suggest that Hawai'i is entering an era of fresh water uncertainty. Increasing the amount of water reuse in the State will alleviate pressure on fresh drinking water supplies. This measure builds upon the work of Wai Maoli: Hawai'i Fresh Water Initiative, organized by the Hawai'i Community Foundation, and emphasizes that water reuse initiatives are applicable and relevant to the entire State.

Your Committees have amended this measure by:

- (1) Adding language that defines water reuse;
- (2) Adding language to emphasize that water reuse initiatives are applicable and relevant to the entire State;
- (3) Adding the Chairperson of the Board of Land and Natural Resources, a member of the Commission on Water Resource Management other than the Chairperson of the Board of Land and Natural Resources, and the Chairperson of the Board of Agriculture as members of the task force;
- (4) Adding the Chairperson of the Board of Land and Natural Resources and Chairperson of the Board of Agriculture as recipients; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Agriculture and Environment that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 74, as amended herein, and recommend that it be referred to your Committee on Commerce, Consumer Protection, and Health, in the form attached hereto as S.R. No. 74, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Ruderman).

SCRep. 3321 Education on S.C.R. No. 160

The purpose and intent of this measure is to request the Department of Education to explore student aid options for students who attend a Department of Education community school for adults and opt to enroll in and complete the competency-based community school diploma program to earn a Hawaii adult community school diploma.

Your Committee received testimony in support of this measure from the Department of Education.

Your Committee finds that the Department of Education provides the competency-based community school diploma program as an option for adults who do not have a high school diploma to obtain the Hawaii adult community school diploma. Many graduates who complete the competency-based community school diploma program previously relied on federal student aid to attend post-secondary institutions. However, due to federal student aid requirements, the University of Hawaii System is unable to qualify Department of Education community school for adults graduates who successfully completed the competency-based community school diploma program for federal student aid. Therefore, alternative solutions are necessary to allow these graduates the opportunity to further their education.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 160 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3322 Education on S.R. No. 119

The purpose and intent of this measure is to request the Department of Education to explore student aid options for students who attend a Department of Education community school for adults and opt to enroll in and complete the competency-based community school diploma program to earn a Hawaii adult community school diploma.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that the Department of Education provides the competency-based community school diploma program as an option for adults who do not have a high school diploma to obtain the Hawaii adult community school diploma. Many graduates who complete the competency-based community school diploma program previously relied on federal student aid to attend post-secondary institutions. However, due to federal student aid requirements, the University of Hawaii System is unable to qualify Department of Education community school for adults graduates who successfully completed the competency-based community school diploma program for federal student aid. Therefore, alternative solutions are necessary to allow these graduates the opportunity to further their education.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 119 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kahele).

SCRep. 3323 (Joint) Water and Land and Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 95

The purpose and intent of this measure is to:

- (1) Support the purchase, preservation, and restoration of agricultural and conservation lands in Maunawili Valley; and
- (2) Urge various federal, state, and county entities to acquire and protect important ancient and historic sites and trails and waters in Maunawili Valley.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Office of Planning, Environmental Caucus of the Democratic Party of Hawai'i, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii Agriculture Research Center, Hui Maunawili-Kawainui, Hui Kawainui-Kailua Ka Wai Ola, Kailua Hawaiian Civic Club, Halau Mōhala 'Ilima, The Trust for Public Land, Pacific American Foundation, Kailua Historical Society, Ho'omanapono Political Action Committee, 'Ahahui Mālama I ka Lōkahi, Hika'alani, and approximately twenty-five individuals. Your Committees received comments on this measure from the Department of Agriculture and Kailua Neighborhood Board No. 31.

Your Committees find that Maunawili Valley contains wetlands, streams, and freshwater springs that provide most of the water that flows to the Kawainui Marsh ecosystem, and more than fifty springs and smaller streams, including Maunawili Stream, the most significant stream in the Kailua ahupua'a. Ancient and historic sites throughout Maunawili Valley include heiau (temple or sacred site), sacred stones, petroglyphs, Hawaiian burials, alanui (path or trail), house sites, grinding stones, irrigated and dryland agricultural terraces, large 'auwai (irrigation ditches) related to extensive lo'i (taro patches), and nineteenth and early twentieth century structures related to agriculture and food production. There is a need to protect and conserve the Maunawili wetlands and semi-wetlands; Maunawili's Hanalei soil, which is the most fertile soil in Hawai'i; fresh water resources; ancient and historic sites; and historic trails within the vital context of agricultural sustainability.

Your Committees further find that HRT Realty, LLC, owner of more than one thousand acres in Maunawili, has expressed interest in selling its Maunawili lands, or a significant portion thereof, to the Department of Land and Natural Resources and Department of Agriculture, which creates a prime opportunity for the State to acquire and protect these important, historical, and culturally significant lands. In partnership with The Trust for Public Land, Hui Maunawili-Kawainui, and the Kailua community, this measure provides a mechanism to secure Maunawili's irreplaceable resources for future generations.

Your Committees have amended this measure by:

- (1) Adding the Chairperson of the Board of Land and Natural Resources, Chairperson of the Board of Agriculture, and Board members of Hui Maunawili-Kawainui as recipients; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 95, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 95, S.D. 1.

Signed by the Chairs on behalf of the Committees.
Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).
Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 3324 (Joint) Water and Land and Public Safety, Intergovernmental, and Military Affairs on S.R. No. 55

The purpose and intent of this measure is to:

- (1) Support the purchase, preservation, and restoration of agricultural and conservation lands in Maunawili Valley; and
- (2) Urge various federal, state, and county entities to acquire and protect important ancient and historic sites and trails and waters in Maunawili Valley.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Office of Planning, Environmental Caucus of the Democratic Party of Hawai'i, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii Agriculture Research Center, Hui Maunawili-Kawainui, Hui Kawainui-Kailua Ka Wai Ola, Kailua Hawaiian Civic Club, Halau Mōhala 'Ilima, The Trust for Public Land, Pacific American Foundation, Kailua Historical Society, Ho'omanapono Political Action Committee, 'Ahahui Mālama I ka Lōkahi, Hika'alani, and approximately twenty-five individuals. Your Committees received comments on this measure from the Department of Agriculture and Kailua Neighborhood Board No. 31.

Your Committees find that Maunawili Valley contains wetlands, streams, and freshwater springs that provide most of the water that flows to the Kawainui Marsh ecosystem, and more than fifty springs and smaller streams, including Maunawili Stream, the most significant stream in the Kailua ahupua'a. Ancient and historic sites throughout Maunawili Valley include heiau (temple or sacred site), sacred stones, petroglyphs, Hawaiian burials, alanui (path or trail), house sites, grinding stones, irrigated and dryland agricultural terraces, large 'auwai (irrigation ditches) related to extensive lo'i (taro patches), and nineteenth and early twentieth century structures related to agriculture and food production. There is a need to protect and conserve the Maunawili wetlands and semi-wetlands; Maunawili's Hanalei soil, which is the most fertile soil in Hawai'i; fresh water resources; ancient and historic sites; and historic trails within the vital context of agricultural sustainability.

Your Committees further find that HRT Realty, LLC, owner of more than one thousand acres in Maunawili, has expressed interest in selling its Maunawili lands, or a significant portion thereof, to the Department of Land and Natural Resources and Department of Agriculture, which creates a prime opportunity for the State to acquire and protect these important, historical, and culturally significant lands. In partnership with The Trust for Public Land, Hui Maunawili-Kawainui, and the Kailua community, this measure provides a mechanism to secure Maunawili's irreplaceable resources for future generations.

Your Committees have amended this measure by:

- (1) Adding the Chairperson of the Board of Land and Natural Resources, Chairperson of the Board of Agriculture, and Board members of Hui Maunawili-Kawainui as recipients; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 55, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 55, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 3325 Water and Land on S.C.R. No. 39

The purpose and intent of this measure is to provide legislative authorization for the issuance of a term, non-exclusive easement covering a portion of state submerged lands at Heeia, Koolaupoko, Oahu, by the Board of Land and Natural Resources (Board) for the existing seawall and landscaped area for use, repair, and maintenance of the existing improvements constructed thereon.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and one individual.

Your Committee finds that an existing seawall and landscaped area identified as Tax Map Key: (1) 4-6-001: seaward of 019, Heeia, Koolaupoko, Oahu, are placed upon state submerged lands. This unauthorized seawall was constructed on accreted state lands in 1978. A previous owner of the abutting property worked with the Department of Land and Natural Resources (Department) to initially resolve the problem in 1981, but an after-the-fact Conservation District Use Application was denied by the Board without prejudice for further investigation into the possibility of any land use violation that may exist in addition to the seawall. Nothing further was done to legalize the seawall until 2014, when the current owner of the abutting property worked with the Department to resolve the encroachments and the Board approved the after-the-fact Conservation District Use Application for the seawall at its November 2017 meeting.

Your Committee further finds that the Board subsequently approved a grant of a fifty-five year term, non-exclusive easement to resolve the encroachments. The term, non-exclusive easement covers approximately 1,379 square feet, which will be reviewed and approved by the Department of Accounting and General Services' Survey Division. The grantee will pay the State the fair market value of the easement as consideration for the use of public lands to be determined by an independent appraiser. Since the Board has met all statutory prerequisites, this measure authorizes the issuance of a term, non-exclusive easement in accordance with section 171-53, Hawaii Revised Statutes.

Your Committee has amended this measure by:

- (1) Adding language regarding the history of the existing seawall, including that:
 - (A) The seawall is an unauthorized seawall constructed on accreted state lands in 1978 by a previous owner;
 - (B) The Board denied the after-the-fact Conservation District Use Application in 1982 for further investigation of other possible land use violations; and
 - (C) The Board approved the after-the-fact Conservation District Use Application in 2017; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 39, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 39, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3326 Water and Land on S.C.R. No. 45

The purpose and intent of this measure is to provide legislative authorization for the issuance of a non-exclusive easement covering a portion of state submerged lands at Puamana, Lahaina, Maui, by the Board of Land and Natural Resources for various seawall structures, a concrete groin, and revetment footings of a historic swimming pool.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and Puamana Community Association. Your Committee received testimony in opposition to this measure from three individuals.

Your Committee finds that various encroachments fronting the property identified as Tax Map Key: (2) 4-6-028:001, Puamana, Lahaina, Maui, are placed on state submerged lands. The owner of the property obtained a fully executed grant of a term, non-exclusive easement, dated March 3, 2014, for a total of five shoreline encroachments for the seawall structures, the concrete groin, and the revetment footings of the historic swimming pool, which, at that time, had an area of 1,895 square feet.

Your Committee further finds that subsequent to issuance of the term, non-exclusive easement, the shoreline moved further mauka and increased the amount of structures located on state submerged lands. Thus, the Board of Land and Natural Resources approved an amendment of the term, non-exclusive easement granted in 2014 to incorporate the additional encroachment area of 3,470 square feet, resulting in a combined easement area of 5,365 square feet. The owner will pay the State the fair market value of the easement as consideration of the use of public lands to be determined by an independent appraisal. Since the Board of Land and Natural Resources has met all relevant statutory prerequisites, this measure authorizes the issuance of a term, non-exclusive easement, as amended, in accordance with section 171-53, Hawaii Revised Statutes.

Your Committee has amended this measure by:

- (1) Amending its title and making another conforming amendment to reflect that the term, non-exclusive easement has been amended by the Board of Land and Natural Resources;
- (2) Inserting language that the combined square footage of the term, non-exclusive easement has been reviewed and approved by the Department of Accounting and General Services' Survey Division; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 45, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 45, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3327 Water and Land on S.C.R. No. 49

The purpose and intent of this measure is to provide legislative authorization for the issuance of a term, non-exclusive easement covering a portion of state submerged lands at Honokawai, Lahaina, Maui, by the Board of Land and Natural Resources for the existing seawall.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources. Your Committee received testimony in opposition to this measure from the Sierra Club of Hawai'i and approximately one hundred thirty individuals.

Your Committee finds that an existing seawall fronting the property identified as Tax Map Key: (2) 4-4-001:042, Honokawai, Lahaina, Maui, is placed on state submerged lands. The owners of the abutting property, the Association of Unit Owners of the Hale Kai Condominium, worked with the Department of Land and Natural Resources to resolve the encroachment problem, and the Department subsequently approved a grant of a fifty-five-year term, non-exclusive easement on August 12, 2011. However, this easement has not been fully executed due to subsequent amendments to account for additional encroachments due to the migration of the shoreline.

Your Committee further finds that the subject area is about 2,920 square feet, which is subject to review and approval by the Department of Accounting and General Services' Survey Division. The abutting property owner is required to pay the State the fair market value of the easement as consideration for the use of public lands, and the amount of the consideration shall be determined by an independent appraiser. Since the Board of Land and Natural Resources has met all statutory prerequisites, this measure authorizes the issuance of a term, non-exclusive easement in accordance with section 171-53, Hawaii Revised Statutes.

Your Committee has amended this measure by:

- (1) Inserting language regarding a \$5,000 fine imposed by the Board of Land and Natural Resources in 2008 against the Association of Unit Owners of the Hale Kai Condominium for the failure to obtain appropriate approvals for the unauthorized improvements made to the existing seawall;
- (2) Clarifying that the Board of Land and Natural Resources held subsequent meetings to approve amendments to the term, non-exclusive easement to account for additional encroachments due to the migration of the shoreline;
- (3) Clarifying that although approved and amended by the Board of Land and Natural Resources, the term, non-exclusive easement has yet to be fully executed;
- (4) Inserting language that the subject area of the term, non-exclusive easement is subject to review and approval by the Department of Accounting and General Services' Survey Division;
- (5) Inserting language that the grantee shall pay the State the fair market value of the term, non-exclusive easement as consideration of the use of public lands to be determined by an independent appraiser; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 49, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 49, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3328 Water and Land on S.C.R. No. 50

The purpose and intent of this measure is to:

- (1) Request the Legislative Reference Bureau to conduct a study regarding designating, dissolving, or transferring certain community development districts under the Hawaii Community Development Authority; and
- (2) Request the Legislative Reference Bureau to submit a written report of its findings and recommendations, including any proposed legislation, to the Legislature prior to the convening of the Regular Session of 2019.

Your Committee received comments on this measure from the Legislative Reference Bureau and Department of Planning and Permitting of the City and County of Honolulu.

Your Committee finds that the Hawaii Community Development Authority was established to meet the vast community development needs of providing suitable affordable housing, sufficient commercial and industrial facilities for rent, residential areas that have facilities necessary for basic liveability, such as parks and open space, and areas that are planned for mixed uses. The Authority manages three community development districts - the Kakaako Community Development District, Kalaeloa Community Development District, and Heeia Community Development District - and these community development districts are designated by law as areas dedicated for replanning, renewal, or redevelopment. After the designation, the Hawaii Community Development Authority is required to develop a community development plan, which includes community development guidance policies, a district-wide improvement program, and community development rules.

Your Committee notes that the development of new infrastructure and retrofitting of existing infrastructure are necessary in the East Kapolei area, and if the East Kapolei area is designated as a community development district, a community development plan would enable the East Kapolei Neighborhood transit-oriented development plan to more efficiently and effectively come into fruition. Your Committee further notes the extensive redevelopment that has already been completed or planned for the Kakaako Community Development District and whether the cultural and natural resources protection purposes for which the Heeia Community Development District was established may be better fulfilled by a state agency other than the Hawaii Community Development Authority. Thus, by requesting a study to assess and analyze the existing community development districts and the designation of any new community development districts under the Hawaii Community Development Authority, this measure will ensure that the goals and purposes of the Authority and the several community development districts are met.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 50 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3329 Water and Land on S.R. No. 22

The purpose and intent of this measure is to:

- (1) Request the Legislative Reference Bureau to conduct a study regarding designating, dissolving, or transferring certain community development districts under the Hawaii Community Development Authority; and
- (2) Request the Legislative Reference Bureau to submit a written report of its findings and recommendations, including any proposed legislation, to the Legislature prior to the convening of the Regular Session of 2019.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that the Hawaii Community Development Authority was established to meet the vast community development needs of providing suitable affordable housing, sufficient commercial and industrial facilities for rent, residential areas that have facilities necessary for basic liveability, such as parks and open space, and areas that are planned for mixed uses. The Authority manages three community development districts - the Kakaako Community Development District, Kalaeloa Community Development District, and Heeia Community Development District - and these community development districts are designated by law as areas dedicated for replanning, renewal, or redevelopment. After the designation, the Hawaii Community Development Authority is required to develop a community development plan, which includes community development guidance policies, a district-wide improvement program, and community development rules.

Your Committee notes that the development of new infrastructure and retrofitting of existing infrastructure are necessary in the East Kapolei area, and if the East Kapolei area is designated as a community development district, a community development plan would enable the East Kapolei Neighborhood transit-oriented development plan to more efficiently and effectively come into fruition. Your Committee further notes the extensive redevelopment that has already been completed or planned for the Kakaako Community Development District and whether the cultural and natural resources protection purposes for which the Heeia Community Development District was established may be better fulfilled by a state agency other than the Hawaii Community Development Authority. Thus, by requesting a study to assess and analyze the existing community development districts and the designation of any new community development districts under the Hawaii Community Development Authority, this measure will ensure that the goals and purposes of the Authority and the several community development districts are met.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 22 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3330 Water and Land on S.C.R. No. 79

The purpose and intent of this measure is to provide legislative authorization for the issuance of a term, non-exclusive easement and issuance of immediate right of entry covering a portion of state land at Kaanapali, Lahaina, Maui, by the Board of Land and Natural Resources for beach walk, trench draining, sign, and public beach shower purposes.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and one individual.

Your Committee finds that the encroachments fronting the property identified as Tax Map Key: (2) 4-4-013: seaward of 006 and 008, Kaanapali, Lahaina, Maui, are placed on state submerged lands. The current owner of the abutting property worked with the Department of Land and Natural Resources to resolve the encroachments, and the Department subsequently approved the direct issuance of a fifty-five-year term, non-exclusive easement and issuance of immediate right of entry on January 27, 2017. The easement authorized the grantee the right, privilege, and authority to use, maintain, repair, replace, and remove the existing beach walk, trench drain, sign, and public beach shower over, under, and across state owned land.

Your Committee further finds that the total encroachment area is approximately 1,776 square feet, which is subject to review and approval by the Department of Accounting and General Services' Survey Division. The grantee shall pay the State the fair market value of the easement as consideration of the use of public lands to be determined by an independent appraiser. Since the Board of Land and Natural Resources has met all relevant statutory prerequisites, this measure authorizes the issuance of a term, non-exclusive easement in accordance with section 171-53, Hawaii Revised Statutes.

Your Committee has amended this measure by:

- (1) Inserting language that the subject area of the term, non-exclusive easement is subject to review and approval by the Department of Accounting and General Services' Survey Division;
- (2) Inserting language that the grantee shall pay the State the fair market value of the term, non-exclusive easement as consideration of the use of public lands to be determined by an independent appraiser; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 79, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 79, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3331 Water and Land on S.C.R. No. 80

The purpose and intent of this measure is to provide legislative authorization for the issuance of a term, non-exclusive easement covering a portion of state submerged lands at Spreckelsville, Wailuku, Maui, by the Board of Land and Natural Resources for the existing seawall and boulder revetment and for use, repair, and maintenance of the existing improvements constructed thereon.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that an existing seawall and boulder revetment fronting the property identified as Tax Map Key: (2) 3-8-002:seaward of 001, Spreckelsville, Wailuku, Maui, are placed on state submerged lands. The current owner of the abutting property worked with the Department of Land and Natural Resources to resolve the encroachment problems, and the Department subsequently approved a grant of a fifty-five year term, non-exclusive easement on September 22, 2017, and imposed a fine of \$500 against the grantee for the illegal encroachment.

Your Committee further finds that the encroachment area is about 1,128 square feet, which is subject to review and approval by the Department of Accounting and General Services' Survey Division. The abutting property owner is required to pay the State the fair market value of the easement as consideration for the use of public lands, and the amount of the consideration shall be determined by an independent appraiser. Since the Board of Land and Natural Resources has met all statutory prerequisites, this measure authorizes the issuance of a term, non-exclusive easement in accordance with section 171-53, Hawaii Revised Statutes.

Your Committee has amended this measure by:

- (1) Inserting language regarding a \$500 fine imposed by the Board of Land and Natural Resources against the current abutting property owner for the illegal encroachment;
- (2) Inserting language that the subject area of the term, non-exclusive easement is subject to review and approval by the Department of Accounting and General Services' Survey Division;
- (3) Inserting language that the grantee shall pay the State the fair market value of the term, non-exclusive easement as consideration of the use of public lands to be determined by an independent appraiser; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 80, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 80, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3332 Education on S.C.R. No. 168

The purpose and intent of this measure is to urge the Department of Education to implement ocean and water safety education programs for elementary school students.

Your Committee received comments on this measure from the Department of Education.

Your Committee finds that ocean and water safety awareness at a young age is a key factor in drowning prevention, as one in five people who die from drowning are children fourteen years of age and younger. School districts in other states have included swimming lessons and ocean safety education into their physical education classes. Therefore, because Hawaii residents and families have access to beaches and other water activities throughout the year, it is essential to educate young child in ocean and water safety.

Your Committee has amended this measure by inserting language suggesting that ocean and water safety education programs may be addressed in schools through partnerships with external organizations or other departments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 168, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 168, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3333 Education on S.R. No. 127

The purpose and intent of this measure is to urge the Department of Education to implement ocean and water safety education programs for elementary school students.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that ocean and water safety awareness at a young age is a key factor in drowning prevention, as one in five people who die from drowning are children fourteen years of age and younger. School districts in other states have included swimming lessons and ocean safety education into their physical education classes. Therefore, because Hawaii residents and families have access to beaches and other water activities throughout the year, it is essential to educate young child in ocean and water safety.

Your Committee has amended this measure by inserting language suggesting that ocean and water safety education programs may be addressed in schools through partnerships with external organizations or other departments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 127, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 127, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3334 Education on S.C.R. No. 180

The purpose and intent of this measure is to request the Department of Education to reexamine the menu schedules for school meals to give local produce suppliers the ability to provide locally grown produce in each meal, in keeping with United States Department of Agriculture standards.

Your Committee received testimony in support of this measure from the Office of the Lieutenant Governor, Department of Agriculture, Hawai'i Farm Bureau, and Ulupono Initiative.

Your Committee finds that as a large purchaser of food products, the Department of Education can make a significant impact on the local economy by purchasing produce from local farms. While creating menus for school meals with specific food items that schools must all produce is beneficial when ordering food in bulk, if the specific product is not produced or manufactured in Hawaii in sufficient and available quantities or, through competitive bids, the costs of a locally produced food are significantly higher, the Department of Education purchases the food from mainland providers. Allowing flexibility in school menus that meet United States Department of Agriculture standards will further promote purchasing from and supporting local farms, while providing schoolchildren with healthy meals.

Your Committee has amended this measure by:

- (1) Inserting language that acknowledges the work of former Lieutenant Governor Shan Tsutsui in convening the Hawaii Farm to School Advisory Group to develop a pathway toward bringing fresh, local food to schools statewide; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 180, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 180, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3335 Education on S.R. No. 98

The purpose and intent of this measure is to request the Department of Education to reexamine the menu schedules for school meals to give local produce suppliers the ability to provide locally grown produce in each meal, in keeping with United States Department of Agriculture standards.

Your Committee received testimony in support of this measure from the Office of the Lieutenant Governor, Department of Agriculture, Hawai'i Farm Bureau, Ulupono Initiative, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and three individuals.

Your Committee finds that as a large purchaser of food products, the Department of Education can make a significant impact on the local economy by purchasing produce from local farms. While creating menus for school meals with specific food items that schools must all produce is beneficial when ordering food in bulk, if the specific product is not produced or manufactured in Hawaii in sufficient and available quantities or, through competitive bids, the costs of a locally produced food are significantly higher, the Department of Education purchases the food from mainland providers. Allowing flexibility in school menus that meet United States Department of Agriculture standards will further promote purchasing from and supporting local farms, while providing schoolchildren with healthy meals.

Your Committee has amended this measure by:

- (1) Inserting language that acknowledges the work of former Lieutenant Governor Shan Tsutsui in convening the Hawaii Farm to School Advisory Group to develop a pathway toward bringing fresh, local food to schools statewide; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 98, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 98, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kahele).

SCRep. 3336 (Joint) Water and Land and Housing on S.C.R. No. 179

The purpose and intent of this measure is to request the City Council of the City and County of Honolulu to require a conditional use permit-major for any and all allowed uses on lands in P-2 General Preservation Districts that are within one hundred feet of a residential area.

Your Committees received testimony in support of this measure from the Board of Directors of the Royal Kunia Community Association and one individual. Your Committees received testimony in opposition to this measure from the Hawaiian Electric Company, Inc., and Land Use Research Foundation.

Your Committees find that a conditional use permit-major is required for projects that are considered appropriate in zoning districts in the City and County of Honolulu only if certain standards and conditions are met. The Department of Planning and Permitting of the City and County of Honolulu uses a Master Use Table under the Revised Ordinances of Honolulu that lists uses within each zoning district that may be permitted only after obtaining a conditional use permit-major. By requesting the Honolulu City Council to require a conditional use permit-major for all uses on lands in P-2 General Preservation Districts that are within one hundred feet of a residential area, this measure will assist in ensuring that preservation zoning districts are preserved and managed as open spaces, recreational lands, or lands of scenic and other natural resource value.

Your Committees note that there are existing electrical utility transmission, sub-transmission, and distribution facilities throughout P-2 zoned areas that are critical to maintaining the overall reliability of the electrical utility systems from conventional systems as well from renewable energy resources to the grid. This measure could delay work on electrical utility facilities in these areas and negatively impact any emergency repairs on electrical systems, which could elevate the risk for long-term power outages.

Accordingly, your Committees have amended this measure by:

- (1) Exempting Utility Installations Type A or Type B from the request to require a conditional use permit-major for any and all allowed uses on lands in P-2 General Preservation Districts within one hundred feet of a residential area;
- (2) Amending its title accordingly;
- (3) Adding language that requests the City Council of the City and County of Honolulu to consider whether conditional use permits-major should be required for all uses on lands in other zoning districts; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Housing that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 179, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 179, S.D. 1.

Signed by the Chairs on behalf of the Committees.
Water and Land: Ayes, 5. Noes, none. Excused, none.
Housing: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Kahele).

SCRep. 3337 (Joint) Water and Land and Housing on S.R. No. 97

The purpose and intent of this measure is to request the City Council of the City and County of Honolulu to require a conditional use permit-major for any and all allowed uses on lands in P-2 General Preservation Districts that are within one hundred feet of a residential area.

Your Committees received testimony in support of this measure from the Sierra Club of Hawai'i. Your Committees received testimony in opposition to this measure from the Hawaiian Electric Company, Inc., and Land Use Research Foundation.

Your Committees find that a conditional use permit-major is required for projects that are considered appropriate in zoning districts in the City and County of Honolulu only if certain standards and conditions are met. The Department of Planning and Permitting of the City and County of Honolulu uses a Master Use Table under the Revised Ordinances of Honolulu that lists uses within each zoning district that may be permitted only after obtaining a conditional use permit-major. By requesting the Honolulu City Council to require a conditional use permit-major for all uses on lands in P-2 General Preservation Districts that are within one hundred feet of a residential area, this measure will assist in ensuring that preservation zoning districts are preserved and managed as open spaces, recreational lands, or lands of scenic and other natural resource value.

Your Committees note that there are existing electrical utility transmission, sub-transmission, and distribution facilities throughout P-2 zoned areas that are critical to maintaining the overall reliability of the electrical utility systems from conventional systems as well from renewable energy resources to the grid. This measure could delay work on electrical utility facilities in these areas and negatively impact any emergency repairs on electrical systems, which could elevate the risk for long-term power outages.

Accordingly, your Committees have amended this measure by:

- (1) Exempting Utility Installations Type A or Type B from the request to require a conditional use permit-major for any and all allowed uses on lands in P-2 General Preservation Districts within one hundred feet of a residential area;
- (2) Amending its title accordingly;
- (3) Adding language that requests the City Council of the City and County of Honolulu to consider whether conditional use permits-major should be required for all uses on lands in other zoning districts; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Housing that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 97, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 97, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 5. Noes, none. Excused, none.

Housing: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Kahele).

SCRep. 3338 (Majority) Water and Land on S.C.R. No. 63

The purpose and intent of this measure is to provide legislative authorization for the issuance of a term, non-exclusive easement covering a portion of state submerged lands at Kahana, Lahaina, Maui, by the Board of Land and Natural Resources for seawall and rock revetment purposes.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Department of Public Works of the County of Maui, Association of Apartment Owners of Hololani, and three individuals. Your Committee received testimony in opposition to this measure from the Sierra Club of Hawai'i and approximately one hundred thirty individuals.

Your Committee finds that the long-term erosion rate of Kahana Beach in West Maui is approximately 0.8 feet per year, and there appears to have been a net sand loss from the overall system over the decades so that the sand beach has been lost with increasing frequency. As a result, all five condominium and hotel complexes along Kahana Beach have obtained permits and approvals to install permanent or emergency protective measures to address the shoreline erosion. Specifically, the Hololani Resort Condominiums, represented by the Association of Apartment Owners of Hololani, one of the condominium complexes located on Kahana Beach, received emergency authorization from the Department of Land and Natural Resources and the County of Maui in 2007 to install sand bags and erosion blankets. Subsequently, the Association of Apartment Owners of Hololani obtained the approvals and permits, including a Conservation District Use Permit from the Board of Land and Natural Resources and a Special Management Area Permit from the County of Maui Planning Commission, to construct a long-term solution consisting of a steel sheet pile seawall and rock revetment.

Your Committee further finds that the proposed seawall and rock revetment construction project fronting the property identified as Tax Map Key: (2) 4-3-010: seaward of 009, Kahana, Lahaina, Maui, will be placed on portions of state submerged lands. The Board of Land and Natural Resources approved the issuance of a term, non-exclusive easement to the Association of Apartment Owners of Hololani for the use of state submerged lands for the proposed project on January 12, 2018. The easement area is approximately 6,128 square feet and is subject to review and approval by the Department of Accounting and General Services' Survey Division. The grantee will be required to pay the State the fair market value of the easement as the consideration for the use of public lands to be determined by an independent appraiser. Since the Board of Land and Natural Resources has met all relevant statutory prerequisites, this measure authorizes the issuance of a term, non-exclusive easement in accordance with section 171-53, Hawaii Revised Statutes.

Your Committee notes the concerns raised in written testimony that seawalls eliminate the ability of beaches to naturally fluctuate with changing waves and tide. Without proper transport of sand, beaches are eventually lost, public shoreline access is hindered, and coastal habitats are impacted. Your Committee further notes that the Special Management Area Permit approved by the Maui County Planning Commission noted that the approval included a condition that the seawall be removed, at Hololani's expense, if a beach restoration project goes forward. Your Committee believes that other alternatives should be developed to address sea level rise, including a managed retreat plan. Your Committee also has concerns whether there will be sufficient public access to the beach if the proposed seawall is constructed and notes that public access was set as a condition for the approval of the Conservation District Use Permit and Special Management Area Permit.

Accordingly, your Committee has amended this measure by:

- (1) Inserting language noting that:

- (A) The Maui County Planning Commission conditioned its approval of a Special Management Area Permit upon removal of the seawall, at Hololani's expense, if a beach restoration project goes forward;
 - (B) The Conservation District Use Permit approved by the Board of Land and Natural Resources and the Special Management Area Permit approved by the County Planning Commission placed conditions on public access, including that Hololani maintain safe lateral beach access and provide, maintain, and properly post signage for public access through the property to the shoreline; and
 - (C) The term, non-exclusive easement is unique and fact-specific, and is not intended to set a precedent for the building of new seawalls and other shoreline hardening structures on public lands;
- (2) Establishing certain conditions for the legislative authorization of the term, non-exclusive easement, including:
- (A) The seawall shall be removed at Hololani's expense if a beach restoration project moves forward;
 - (B) Hololani shall ensure unrestricted lateral and vertical public access, including the posting of appropriate signage; and
 - (C) A full waiver of liability shall be executed and include specified terms; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee anticipates that the parties will be required to amend the term, non-exclusive easement in order to incorporate the conditions established for legislative authorization of the easement. In light of this measure and the issue of sea level rise, your Committee urges the Board of Land and Natural Resources to develop a long-term policy to address structures that are located along the shoreline and subject to erosion.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 63, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 63, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Gabbard, Thielen). Noes, 2 (Inouye, Riviere). Excused, none.

SCRep. 3339 Water and Land on S.C.R. No. 133

The purpose and intent of this measure is to provide legislative authorization for the issuance of a term lease covering a portion of state submerged lands at Kahalu'u, North Kona, Island of Hawai'i, by the Board of Land and Natural Resources for educational, cultural, and historic site preservation purposes.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Kamehameha Schools, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the Trustees of the Estate of Bernice Pauahi Bishop propose to use land in North Kona as part of the Kahalu'u Ma Kai Educational and Cultural Complex to serve as a center of Kamehameha Schools' 'āina- and cultural-based educational offerings in the West Hawai'i region. As part of the Kahalu'u Ma Kai Educational and Cultural Complex, the Trustees of the Estate of Bernice Pauahi Bishop propose to include a managed public access plan and the restoration and interpretive management of several sacred heiau and the Pa o Ka Menehune Fishpond. Accordingly, the lease will be for the preservation and management of these historic archaeological sites, and commercial activity or development will be prohibited in the lease area. Furthermore, managed public access will allow the public access to submerged land areas that do not encroach onto the cultural and historical resource areas.

Your Committee further finds that the subject area fronting the property identified as Tax Map Key: (3) 7-8-013: portions of 002 and 043, Kahalu'u, North Kona, Island of Hawai'i, are placed on state submerged lands. The Trustees worked with the Department of Land and Natural Resources to resolve the location of the shoreline and the ownership of the submerged lands, which resulted in the two parties "agreeing to disagree" and specifically reserving all rights, claims, and defenses. Thus, the Board of Land and Natural Resources approved a sixty-five year direct lease to the Trustees of the Estate of Bernice Pauahi Bishop for the use of state submerged lands for educational, cultural, and historic site preservation purposes on February 9, 2018.

Your Committee also finds that the lands subject to the lease consist of approximately 3.992 acres. The Estate of Bernice Pauahi Bishop is a certified tax exempt eleemosynary organization under section 501(c)(3) of the Internal Revenue Code of 1986. Accordingly, the Board of Land and Natural Resources approved the direct lease at gratis. Since the Board of Land and Natural Resources has met all relevant statutory prerequisites, this measure authorizes the issuance of a term lease in accordance with section 171-53, Hawaii Revised Statutes.

Your Committee notes that section 171-43.1, Hawaii Revised Statutes, authorizes the Board of Land and Natural Resources to lease, at a nominal consideration, public lands to an eleemosynary organization that has been certified to be tax exempt under section 501(c)(1) or 501(c)(3) of the Internal Revenue Code. According to the written testimony submitted by the Department of Land and Natural Resources, the Board of Land and Natural Resources approved the direct lease at gratis. Your Committee is concerned that approving the direct lease at gratis may not comply with the nominal consideration requirement under section 171-43.1, Hawaii Revised Statutes.

Accordingly, your Committee has amended this measure by conditioning legislative authorization of the direct lease upon the parties determining nominal consideration for the lease pursuant to section 171-43.1, Hawaii Revised Statutes.

Your Committee further notes that determining nominal consideration for the lease may require the Board of Land and Natural Resources to amend the lease.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 133, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 133, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3340 (Joint) Agriculture and Environment and Economic Development, Tourism, and Technology on S.C.R. No. 164

The purpose and intent of this measure is to request the Board of Agriculture to define “agricultural hub” or “food hub” and, in collaboration with the Agribusiness Development Corporation, identify areas in the State that are potentially suitable to become agricultural hubs or food hubs.

Your Committees received testimony in support of this measure from the Agribusiness Development Corporation and O’ahu County Committee on Legislative Priorities of the Democratic Party of Hawai’i. Your Committees received comments on this measure from the Department of Agriculture.

Your Committees find that agricultural hubs provide wider access to markets for small to mid-sized farmers and producers who are often unable to afford or manage trucks, warehouses, processing space, and storage themselves, and increase access to fresh, healthy foods for consumers. Your Committees further find that the agricultural hub included under the Whitmore Project will greatly assist local farmers and producers; however, the Department of Agriculture lacks a definition of “agricultural hub” or “food hub” to enable the development of additional hubs in Hawaii that are similar to the agricultural hub proposed under the Whitmore Project. Your Committees additionally find that the Board of Agriculture lacks the authority to amend statute and therefore the Legislature will need to codify a definition for “agricultural hub” or “food hub” in statute.

Accordingly, your Committees have amended this measure by:

- (1) Requesting that the Board of Agriculture submit a recommended definition of “agricultural hub” or “food hub” to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019;
- (2) Amending its title accordingly; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Economic Development, Tourism, and Technology that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 164, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 164, S.D. 1.

Signed by the Chairs on behalf of the Committees.
Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).
Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

SCRep. 3341 (Joint) Agriculture and Environment and Economic Development, Tourism, and Technology on S.R. No. 123

The purpose and intent of this measure is to request the Board of Agriculture to define “agricultural hub” or “food hub” and, in collaboration with the Agribusiness Development Corporation, identify areas in the State that are potentially suitable to become agricultural hubs or food hubs.

Your Committees received testimony in support of this measure from the Agribusiness Development Corporation and O’ahu County Committee on Legislative Priorities of the Democratic Party of Hawai’i. Your Committees received comments on this measure from the Department of Agriculture.

Your Committees find that agricultural hubs provide wider access to markets for small to mid-sized farmers and producers who are often unable to afford or manage trucks, warehouses, processing space, and storage themselves, and increase access to fresh, healthy foods for consumers. Your Committees further find that the agricultural hub included under the Whitmore Project will greatly assist local farmers and producers; however, the Department of Agriculture lacks a definition of “agricultural hub” or “food hub” to enable the development of additional hubs in Hawaii that are similar to the agricultural hub proposed under the Whitmore Project. Your Committees additionally find that the Board of Agriculture lacks the authority to amend statute and therefore the Legislature will need to codify a definition for “agricultural hub” or “food hub” in statute.

Accordingly, your Committees have amended this measure by:

- (1) Requesting that the Board of Agriculture submit a recommended definition of “agricultural hub” or “food hub” to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019;
- (2) Amending its title accordingly; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Economic Development, Tourism, and Technology that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 123, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 123, S.D. 1.

Signed by the Chairs on behalf of the Committees.
Agriculture and Environment: Ayes, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).
Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

SCRep. 3342 Commerce, Consumer Protection, and Health on S.C.R. No. 142

The purpose and intent of this measure is to designate the first week of December as Cancer Screen Week and encourage citizens of Hawaii to seek appropriate cancer screenings.

Your Committee received testimony in support of this measure from the Department of Health, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawai'i Primary Care Association, American Cancer Society Cancer Action Network, and two individuals.

Your Committee finds that regular screenings increase the probability of early detection of certain cancers, and early detection can save lives by providing the opportunity for treatment at earlier stages, when treatment is more effective and less costly. However, current cancer screening rates in Hawaii remain well below the nationally recommended Healthy People 2020 targets. Your Committee finds that a public health initiative such as Cancer Screen Week will raise awareness and encourage Hawaii residents to get recommended screenings.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 142 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 3343 Commerce, Consumer Protection, and Health on S.C.R. No. 75

The purpose and intent of this measure is to urge:

- (1) Hawaii's congressional delegation to introduce and advocate for federal legislation to provide local franchising authorities with greater regulatory power over cable operators and the regulation of public, educational, and governmental access channels; and
- (2) The Federal Communications Commission to provide clarity and allow local franchising authorities more discretion regarding the regulation of cable operators as it relates to public, educational, and governmental access channels.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Ho'omana Pono, LLC; 'Olelo Community Media; and two individuals. Your Committee received comments on this measure from Charter Communications.

Your Committee finds that public, educational, and governmental (PEG) access programming has numerous important public benefits. PEG access programming promotes civic participation through local government cable casts, including broadcasts of legislative hearings and sessions, county council meetings, and neighborhood board meetings, which allows viewers to remain informed of issues affecting communities throughout the State; connects Hawaii's unique communities via discussion and coverage of cultural matters and events; and serves a vital consumer protection function as a tool to alert the public during natural disasters and emergencies.

Your Committee further finds that many of the State's PEG access channels have retained the same channel location for decades, are well-known to viewers, and have been branded by local access organizations for their programs. Your Committee additionally finds that if these PEG access channels are relocated by a cable operator, it will likely result in confusion and loss of viewership. Access organizations that oversee PEG access programming may also find it difficult and cost-prohibitive to rebrand their programs and services with new channel numbers.

However, your Committee notes that federal law limits the regulation of cable services by local franchising authorities and there is a lack of clarity under existing federal law regarding the regulation of cable operators as they relate to PEG access channels. This lack of clarity may limit and cause uncertainty regarding a local franchising authority's ability to assess and make decisions that protect the public's interest. Accordingly, this measure urges the Federal Communications Commission to consider and address these shortcomings and Hawaii's congressional delegation to introduce federal legislation to alleviate concerns over cable operators and PEG access channels.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 75, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 75, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 3344 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary on S.C.R. No. 116

The purpose and intent of this measure is to request the Legislative Reference Bureau to submit a report to the Legislature detailing:

- (1) All current state gun control laws, including restrictions on ownership, modifications, and accessories; penalties for illegal use or possession; and the processes required for obtaining and dispossessing individuals of various types of firearms;
- (2) Data on violent crime in Hawaii, including the number of instances involving a firearm, the number of deaths attributed to a firearm, and the number of firearms deaths caused by an accident or accidental discharge of a firearm;
- (3) Aggregate data on the number of registered firearm owners in the State and the total number of legally permitted firearms; and

- (4) A comparison of state statutes, rules, and regulations to existing federal statutes, rules, and regulations where parallel comparisons are available.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and two individuals. Your Committees received comments on this measure from the Legislative Reference Bureau.

Your Committees find that recent, high profile shootings across the country necessitate that the State evaluate existing statutes to ensure that they are as adequate and appropriate today as they were when originally enacted. Your Committees further find that in order to effectively evaluate existing statutes, it is important to collect relevant data relating to gun ownership and use in the State and relevant data on gun-related accidents and crimes. Moreover, your Committees find that it is important to compare existing state law to existing federal law to determine if the State's gun control laws are at least as effective as comparable federal law.

Your Committees have amended this measure by clarifying that the Honolulu Field Office of the United States Federal Bureau of Investigation; Honolulu Satellite Office of the United States Bureau of Alcohol, Tobacco, Firearms, and Explosives; Judiciary of the State of Hawaii; Department of the Attorney General; and respective police departments of the City and County of Honolulu, County of Hawaii, County of Kauai, and County of Maui are requested to submit to the Legislative Reference Bureau any firearms-related information relevant to the substance of the report no later than August 1, 2018, in order to assist the Bureau in its timely completion of the report.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Judiciary that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 116, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 116, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

Judiciary: Ayes, 5. Noes, none. Excused, none.

SCRep. 3345 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary on S.R. No. 73

The purpose and intent of this measure is to request the Legislative Reference Bureau to submit a report to the Legislature detailing:

- (1) All current state gun control laws, including restrictions on ownership, modifications, and accessories; penalties for illegal use or possession; and the processes required for obtaining and dispossessing individuals of various types of firearms;
- (2) Data on violent crime in Hawaii, including the number of instances involving a firearm, the number of deaths attributed to a firearm, and the number of firearms deaths caused by an accident or accidental discharge of a firearm;
- (3) Aggregate data on the number of registered firearm owners in the State and the total number of legally permitted firearms; and
- (4) A comparison of state statutes, rules, and regulations to existing federal statutes, rules, and regulations where parallel comparisons are available.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and two individuals. Your Committees received testimony in opposition to this measure from the Institute for Rational and Evidence-based Legislation. Your Committees received comments on this measure from two individuals.

Your Committees find that recent, high profile shootings across the country necessitate that the State evaluate existing statutes to ensure that they are as adequate and appropriate today as they were when originally enacted. Your Committees further find that in order to effectively evaluate existing statutes, it is important to collect relevant data relating to gun ownership and use in the State and relevant data on gun-related accidents and crimes. Moreover, your Committees find that it is important to compare existing state law to existing federal law to determine if the State's gun control laws are at least as effective as comparable federal law.

Your Committees have amended this measure by clarifying that the Honolulu Field Office of the United States Federal Bureau of Investigation; Honolulu Satellite Office of the United States Bureau of Alcohol, Tobacco, Firearms, and Explosives; Judiciary of the State of Hawaii; Department of the Attorney General; and respective police departments of the City and County of Honolulu, County of Hawaii, County of Kauai, and County of Maui are requested to submit to the Legislative Reference Bureau any firearms-related information relevant to the substance of the report no later than August 1, 2018, in order to assist the Bureau in its timely completion of the report.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Judiciary that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 73, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 73, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

Judiciary: Ayes, 5. Noes, none. Excused, none.

SCRep. 3346 (Joint) Education and Commerce, Consumer Protection, and Health on S.C.R. No. 69

The purpose and intent of this measure is to urge school administrators, teachers, parents, and students to be educated about the potential health impacts of heavy backpacks and to take proactive measures to avoid injury.

Your Committees received testimony in support of this measure from the Department of Education and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that overloaded school backpacks are increasingly causing back pain and spinal strain to students across the nation. Because spinal ligaments and muscles are not fully developed until after the age of sixteen, overweight backpacks are a source

of repeated low-level stress that may result in chronic neck, shoulder, or back pain in children. Backpacks often are not worn correctly, increasing the weight on the shoulders and making the child lean forward when walking or stoop forward when standing to compensate for the weight. Therefore, it is critical to educate and bring awareness to this issue to prevent backpack-related injuries for students.

As affirmed by the records of votes of the members of your Committees on Education and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 69 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3347 (Joint) Education and Commerce, Consumer Protection, and Health on S.R. No. 38

The purpose and intent of this measure is to urge school administrators, teachers, parents, and students to be educated about the potential health impacts of heavy backpacks and to take proactive measures to avoid injury.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and one individual.

Your Committees find that overloaded school backpacks are increasingly causing back pain and spinal strain to students across the nation. Because spinal ligaments and muscles are not fully developed until after the age of sixteen, overweight backpacks are a source of repeated low-level stress that may result in chronic neck, shoulder, or back pain in children. Backpacks often are not worn correctly, increasing the weight on the shoulders and making the child lean forward when walking or stoop forward when standing to compensate for the weight. Therefore, it is critical to educate and bring awareness to this issue to prevent backpack-related injuries for students.

As affirmed by the records of votes of the members of your Committees on Education and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 38 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3348 (Joint) Economic Development, Tourism, and Technology and Judiciary on S.C.R. No. 121

The purpose and intent of this measure is to request the Hawaii Sister-State Committee and Department of Business, Economic Development, and Tourism, in consultation with certain members of the Legislature, to provide a report to the Legislature that evaluates the sister-state program and makes recommendations to improve efforts to promote mutually beneficial international relationships to stimulate, among other things, economic growth.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that the sister-state program was established in 1981, with the first sister-state relation being formed with Fukuoka, Japan. In order to administer the program, in 2006, the Sister-State Committee was established by Act 150, Session Laws of Hawaii 2006, and was administratively placed in the Department of Business, Economic Development, and Tourism. Your Committees further find that to date, the State has established sister-state relations with seventeen different jurisdictions around the world, and one is awaiting formal signing, which would bring the total to eighteen established relations. Your Committees believe that although the sister-state relations established have the potential to stimulate the economy of the State, for some sister-state relations, there has been no activity. Your Committees recognize the benefit of having sister-state relations and encourage more effort to be put toward sister-state relation activities.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Judiciary that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 121, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 121, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

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

SCRep. 3349 (Joint) Economic Development, Tourism, and Technology and Judiciary on S.R. No. 78

The purpose and intent of this measure is to request the Hawaii Sister-State Committee and Department of Business, Economic Development, and Tourism, in consultation with certain members of the Legislature, to provide a report to the Legislature that evaluates the sister-state program and makes recommendations to improve efforts to promote mutually beneficial international relationships to stimulate, among other things, economic growth.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that the sister-state program was established in 1981, with the first sister-state relation being formed with Fukuoka, Japan. In order to administer the program, in 2006, the Sister-State Committee was established by Act 150, Session Laws of Hawaii 2006, and was administratively placed in the Department of Business, Economic Development, and Tourism. Your Committees further find that to date, the State has established sister-state relations with seventeen different jurisdictions around the world, and one is awaiting formal signing, which would bring the total to eighteen established relations. Your Committees believe that

although the sister-state relations established have the potential to stimulate the economy of the State, for some sister-state relations, there has been no activity. Your Committees recognize the benefit of having sister-state relations and encourage more effort to be put toward sister-state relation activities.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Tourism, and Technology and Judiciary that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 78, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 78, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Economic Development, Tourism, and Technology: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

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

SCRep. 3350 Transportation and Energy on Gov. Msg. No. 597

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF DIRECTORS OF THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY

G.M. No. 597 WILLIAM MIELCKE, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by William Mielcke for service on the Board of Directors of the Natural Energy Laboratory of Hawai'i Authority.

Your Committee received testimony in support of the nomination for the reappointment of William Mielcke from the Department of Business, Economic Development, and Tourism and one individual.

Upon review of the testimony, your Committee finds that Mr. Mielcke's professional experience, background, and commitment to service qualify him for consideration for reappointment to the Board of Directors of the Natural Energy Laboratory of Hawai'i Authority. Your Committee notes that Mr. Mielcke has worked in real estate development for over fifty years, with significant experience in planning, permitting, financing, design, and construction of numerous properties. Your Committee also notes that Mr. Mielcke previously served on the County of Hawaii Board of Appeals and County of Hawaii Planning Commission, in addition to having served as the Director of the Hawaii Resort Developers Conference, Hawaii Leeward Planning Conference, Kohala Coast Resort Association, and Hawaii Health System Corporation. Mr. Mielcke has also served as a member of the Urban Land Institute's Recreational Development Council. Mr. Mielcke is currently serving on the Board of Directors of the Natural Energy Laboratory of Hawai'i Authority as the chairperson and has a thorough understanding of the role and responsibility of board members. Your Committee notes that in Mr. Mielcke's personal statement, he expressed his commitment to seeing the Natural Energy Laboratory of Hawai'i Authority realize its full potential and he expressed a willingness to help make that happen.

As affirmed by the records of votes of the members of your Committee on Transportation and Energy that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3351 Ways and Means on S.C.R. No. 2

The purpose and intent of this measure is to authorize the issuance of an easement for state submerged lands at Waianae, Oahu.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources and nine individuals.

Your Committee received written comments in opposition to this measure from Ho'omanapono Political Action Committee.

Your Committee finds that section 171-53, Hawaii Revised Statutes, requires the Board of Land and Natural Resources to obtain authorization from the Legislature to lease state submerged lands. The Board has identified a seawall, steps, and landscaped area at Tax Map Key: (1) 8-7-023: seaward of 044, Waianae, Oahu, as encroaching upon state submerged lands. Your Committee also finds that the Board has approved a grant of a fifty-five-year non-exclusive easement to resolve the encroachment. Your Committee further finds that this measure expresses the requisite legislative approval for an easement to be granted for the seawall, steps, and landscaped area and for the use, repair, and maintenance of the existing improvements constructed thereon.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 2, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Keith-Agaran, Shimabukuro).

SCRep. 3352 Ways and Means on S.C.R. No. 14

The purpose and intent of this measure is to grant legislative approval to sell the leased fee interest in 2949 Ala Ilima Street, No. 204, Honolulu, Hawaii.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism and Hawaii Housing Finance and Development Corporation.

Your Committee received written comments in opposition to this measure from Ho'omanapono Political Action Committee.

Your Committee received written comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the sale of the leased fee interest in 2949 Ala Ilima Street, No. 204, Honolulu, Hawaii, is subject to section 171-64.7, Hawaii Revised Statutes, which requires the prior approval of the Legislature by concurrent resolution to sell or gift certain state lands in fee simple, and that the Hawaii Housing Finance and Development Corporation has met all statutory prerequisites to request approval of the sale of that property.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 14, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Keith-Agaran, Shimabukuro).

SCRep. 3353 Ways and Means on S.C.R. No. 15

The purpose and intent of this measure is to grant legislative approval to sell the leased fee interest in 41-1373 Haunaukoi Street, Waimanalo, Hawaii.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; and one individual.

Your Committee received written comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the sale of the leased fee interest in 41-1373 Haunaukoi Street, Waimanalo, Hawaii, is subject to section 171-64.7, Hawaii Revised Statutes, which requires the prior approval of the Legislature by concurrent resolution to sell or gift certain state lands in fee simple, and that the Hawaii Housing Finance and Development Corporation has met all statutory prerequisites to request approval of the sale of that property.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 15, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Keith-Agaran, Shimabukuro).

SCRep. 3354 Ways and Means on S.C.R. No. 18

The purpose and intent of this measure is to authorize the issuance of an easement for state submerged lands at Waikiki, Honolulu, Oahu.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that section 171-53, Hawaii Revised Statutes, requires the Board of Land and Natural Resources to obtain authorization from the Legislature to engage in disposition of state submerged lands. The Board has identified a pier and portions of a seawall fronting the property identified as Tax Map Key: (1) 3-6-001: seaward of 036, Waikiki, Honolulu, Oahu, as encroaching upon state submerged lands. Your Committee also finds that the Board has approved a grant of a fifty-five-year non-exclusive easement to resolve the encroachment. Your Committee further finds that this measure expresses the necessary legislative approval for an easement to be granted for the pier and existing seawall and for the use, repair, and maintenance of the existing improvements constructed thereon.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 18, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Keith-Agaran, Shimabukuro).

SCRep. 3355 Ways and Means on S.C.R. No. 19

The purpose and intent of this measure is to grant legislative approval to amend an easement for a portion of state submerged lands at Kahala, Honolulu, Oahu.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that section 171-53, Hawaii Revised Statutes, requires the Board of Land and Natural Resources to obtain authorization from the Legislature to dispose of state submerged lands. The Board has determined the shoreline boundary of a previously issued easement on the property identified as Tax Map Key: (1) 3-5-001: seaward of 004, to be further mauka, which has resulted in an additional encroachment area of one hundred ninety-one square feet. Your Committee further finds that this measure expresses the requisite legislative approval so that the existing easement may be amended to include this additional encroachment.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 19, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Keith-Agaran, Shimabukuro).

SCRep. 3356 (Joint) Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy on S.C.R. No. 191

The purpose and intent of this measure is to urge all counties of Hawaii to create a special license plate decal, similar to the City and County of Honolulu's "Hawaii Says NO MORE Week" decal, to raise funds to end domestic violence and sexual abuse.

Your Committees received testimony in support of this measure from the Hawaii Youth Services Network and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that roughly one in seven women in Hawaii are sexually assaulted, one in three teens are either sexually or physically assaulted, and one in two women and one in five men have experienced some form of sexual victimization in their lives. Your Committees further find that the NO MORE campaign is a national movement to end domestic violence and sexual abuse in the United States, and Hawaii Says NO MORE is a Hawaii-specific movement to achieve the same goals.

Your Committees find the Hawaii Says NO MORE campaign admirable, as it raises awareness and encourages discussions about addressing domestic violence and sexual abuse. The special license plate decals will act as a visible representation of support for victims of abuse, and a portion of the proceeds will help shelter victims of abuse.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 191 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3357 (Joint) Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy on S.R. No. 130

The purpose and intent of this measure is to urge all counties of Hawaii to create a special license plate decal, similar to the City and County of Honolulu's "Hawaii Says NO MORE Week" decal, to raise funds to end domestic violence and sexual abuse.

Your Committees received testimony in support of this measure from the Hawaii Youth Services Network and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that roughly one in seven women in Hawaii are sexually assaulted, one in three teens are either sexually or physically assaulted, and one in two women and one in five men have experienced some form of sexual victimization in their lives. Your Committees further find that the NO MORE campaign is a national movement to end domestic violence and sexual abuse in the United States, and Hawaii Says NO MORE is a Hawaii-specific movement to achieve the same goals.

Your Committees find the Hawaii Says NO MORE campaign admirable, as it raises awareness and encourages discussions about addressing domestic violence and sexual abuse. The special license plate decals will act as a visible representation of support for victims of abuse, and a portion of the proceeds will help shelter victims of abuse.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 130 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3358 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs and Agriculture and Environment on S.C.R. No. 124

The purpose and intent of this measure is to request the Department of Transportation and City and County of Honolulu to protect Hawaiian monk seals at Hauula Beach Park by implementing safeguards.

Your Committees received testimony in support of this measure from the Department of Transportation, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that Hawaiian monk seals are an endangered species found only in the Hawaiian Islands, and are protected by the Endangered Species Act, Marine Mammal Protection Act, and state law in Hawaii. Your Committees further find that Hawaiian monk seals often visit Hauula Beach Park. Human visitors to Hauula Beach Park who do not know the laws protecting the seals frequently come too close to the seals to take pictures of or with the seals, creating a risk of injury to the seals and the person. Another major danger to the seals is their tendency to sleep under parked vehicles in the area. In order to keep seal and human visitors to Hauula Beach Park safe, clear safeguards protecting Hawaiian monk seals at the park are necessary.

Your Committees received testimony from the Department of Land and Natural Resources noting that the National Oceanic and Atmospheric Administration is the lead agency and enforcement authority with regard to laws protecting Hawaiian monk seals. The testimony from the Department of Land and Natural Resources also noted that it currently works with the National Oceanic and Atmospheric Administration to enforce the laws protecting Hawaiian monk seals.

Accordingly, your Committees have amended this measure by:

- (1) Making the Department of Land and Natural Resources, rather than the Department of Transportation, the lead agency of the request;
- (2) Requesting the Department of Land and Natural Resources to consult with the National Oceanic and Atmospheric Administration, Department of Transportation, and City and County of Honolulu to implement safeguards;
- (3) Amending the title of this measure in accordance with its amended purpose; and

(4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy, Public Safety, Intergovernmental, and Military Affairs, and Agriculture and Environment that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 124, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 124, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Thielen).

Agriculture and Environment: Ayes, 5. Noes, none. Excused, none.

SCRep. 3359 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 176

The purpose and intent of this measure is to ensure the safety of pedestrians on Haleakala Highway between Upper Kimo Drive and Ainakula Road by urging the Department of Transportation to assess the dangers of pedestrian use of the shoulder and examine the effectiveness of potential pedestrian safety measures.

Your Committees received testimony in support of this measure from the Department of Transportation, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and three individuals.

Your Committees find that pedestrian and motor vehicle traffic along certain parts of Haleakala Highway in Kula have increased due to the increasing popularity of various shops and restaurants in the Kula area. However, there are no sidewalks for this stretch of highway, and the shoulder is only six inches wide. The lack of sufficient walking space for pedestrians, along with drivers regularly exceeding the posted speed limit of thirty miles per hour, means there are significant safety risks for pedestrians. This measure seeks to assess these risks and provide safety measures for pedestrians.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 176 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 3360 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.R. No. 105

The purpose and intent of this measure is to ensure the safety of pedestrians on Haleakala Highway between Upper Kimo Drive and Ainakula Road by urging the Department of Transportation to assess the dangers of pedestrian use of the shoulder and examine the effectiveness of potential pedestrian safety measures.

Your Committees received testimony in support of this measure from the Department of Transportation, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and three individuals.

Your Committees find that pedestrian and motor vehicle traffic along certain parts of Haleakala Highway in Kula have increased due to the increasing popularity of various shops and restaurants in the Kula area. However, there are no sidewalks for this stretch of highway, and the shoulder is only six inches wide. The lack of sufficient walking space for pedestrians, along with drivers regularly exceeding the posted speed limit of thirty miles per hour, means there are significant safety risks for pedestrians. This measure seeks to assess these risks and provide safety measures for pedestrians.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 105 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 3361 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 185

The purpose and intent of this measure is to reduce motor vehicle fatalities and injuries in the State through statewide support of traffic safety legislation.

Your Committees received testimony in support of this measure from the Department of Transportation and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that there are approximately one hundred motor vehicle fatalities in Hawaii each year, and even one motor vehicle fatality is one too many. Your Committees also find that traffic safety legislation, enforcement, and education are important factors in reducing the number of motor vehicle fatalities. Your Committees note that the Legislature continues to propose and enact traffic safety measures that increase public safety, but it often takes cooperation and support of multiple departments and agencies to maximize the efficacy of these laws.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 185, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 185, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 3362 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.R. No. 129

The purpose and intent of this measure is to reduce motor vehicle fatalities and injuries in the State through statewide support of traffic safety legislation.

Your Committees received testimony in support of this measure from the Department of Transportation and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that there are approximately one hundred motor vehicle fatalities in Hawaii each year, and even one motor vehicle fatality is one too many. Your Committees also find that traffic safety legislation, enforcement, and education are important factors in reducing the number of motor vehicle fatalities. Your Committees note that the Legislature continues to propose and enact traffic safety measures that increase public safety, but it often takes cooperation and support of multiple departments and agencies to maximize the efficacy of these laws.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 129, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 129, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 3363 Ways and Means on S.C.R. No. 21

The purpose and intent of this measure is to endorse and adopt the United Nations' seventeen development goals.

More specifically, this measure:

- (1) Engages, endorses, accepts, and adopts the United Nations' seventeen sustainable development goals at the state level; and
- (2) Urges the county councils to endorse and use the sustainable development goals.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Sierra Club of Hawaii, and Planned Parenthood Votes Northwest and Hawaii.

Your Committee believes that adopting the United Nations' seventeen sustainable development goals will help the State to improve sustainability. Your Committee further believes that the individual counties would also benefit from endorsing these sustainable development goals.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 21 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Harimoto, Kahele, Kidani).

SCRep. 3364 Ways and Means on S.R. No. 11

The purpose and intent of this measure is to endorse and adopt the United Nations' seventeen development goals.

More specifically, this measure:

- (1) Engages, endorses, accepts, and adopts the United Nations' seventeen sustainable development goals at the state level; and
- (2) Urges the county councils to endorse and use the sustainable development goals.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and Planned Parenthood Votes Northwest and Hawaii.

Your Committee believes that adopting the United Nations' seventeen sustainable development goals will help the State to improve sustainability. Your Committee further believes that the individual counties would also benefit from endorsing these sustainable development goals.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 11 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Harimoto, Kahele, Kidani).

SCRep. 3365 Ways and Means on S.R. No. 19

The purpose and intent of this measure is to urge the County of Hawaii to prioritize wastewater infrastructure improvements through a comprehensive study for economic development, infrastructure, sustainability, education, and public policy.

Your Committee received written comments in support of this measure from Sierra Club of Hawaii, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and two concerned individuals.

Your Committee finds that the County of Hawaii could benefit from an updated and modernized wastewater management system, and that the County should first conduct a feasibility study of any significant modifications.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 19 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Harimoto, Kahele, Kidani).

SCRep. 3366 Ways and Means on Gov. Msg. No. 540

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF TAXATION REVIEW, 1ST TAXATION DISTRICT (O'AHU)

G.M. No. 540 FRANCIS IMADA, for a term to expire 06-30-2019

Your Committee reviewed the personal statement and resume submitted by Francis Imada for service on the Board of Taxation Review for the 1st Taxation District (O'ahu).

Your Committee received testimony in support of the nomination 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 1st Taxation District. Your Committee notes that the nominee received a Bachelor of Business Administration in Accounting degree with distinction from the University of Hawaii College of Business Administration and has more than forty years of accounting and finance experience. Mr. Imada's professional experience includes more than twenty years as the Chief Financial Officer of Clinical Laboratories of Hawaii, LLP; seven years as a Partner of Deloitte & Touche LLP; and ten years as a Senior Tax Manager of Ernst & Young LLP.

Your Committee finds that Francis Imada'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, 7. Noes, none. Excused, 4 (Harimoto, Kahele, Kidani, Wakai).

SCRep. 3367 Ways and Means on Gov. Msg. No. 590

Recommending that the Senate advise and consent to the nomination of the following:

DEPUTY DIRECTOR OF THE DEPARTMENT OF BUDGET AND FINANCE

G.M. No. 590 KEN KITAMURA, for a term to expire at noon on 12-03-2018

Your Committee reviewed the personal statement and resume submitted by Ken Kitamura for service as the Deputy Director of Finance.

Your Committee received testimony in support of the nomination from the Office of the Governor; Director of Finance and two employees of the Department of Budget and Finance; Department of Taxation; Department of Accounting and General Services; Department of Land and Natural Resources; Department of Business, Economic Development, and Tourism; Department of Agriculture; Department of Public Safety; Department of Transportation; Department of Human Services; and Employees' Retirement System.

Upon review of the testimony and the nominee's qualifications, your Committee finds that the nominee has served as the Business Management Officer of the Department of Human Services, Fiscal Management Office since January 2014. Your Committee notes that the nominee previously served as an Administrative Services Officer, a Business Manager, and a Program Budget Analyst of the Department of Business, Economic Development, and Tourism; a Business Services Officer of the Office of the Lieutenant Governor; a Legislative Aide in the Office of a Honolulu Councilmember; a Special Projects Manager and Budget Supervisor of the Senate Ways and Means Committee; an Associate Auditor of the Office of the Legislative Auditor; and an Analyst of the Senate President's Office. Your Committee also notes that the nominee earned a Bachelor of Arts degree in government from Chaminade University of Honolulu and a Master's in Public Administration degree from the University of Hawaii at Manoa.

Your Committee finds that Ken Kitamura's education and extensive record in public service qualify him to serve as the Deputy Director of Finance.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Harimoto, Kahele, Kidani, Wakai).

SCRep. 3368 Judiciary on Gov. Msg. No. 616

Recommending that the Senate consent to the appointment of the following:

CHIEF JUDGE OF THE INTERMEDIATE APPELLATE COURT

G.M. No. 616 LISA M. GINOZA, for a term to expire in 10 years

Your Committee reviewed the personal history, resume, and statement submitted by Judge Lisa M. Ginoza for service on the Intermediate Court of Appeals as Chief Judge.

Your Committee received testimony in support of the appointment of Judge Lisa M. Ginoza from Hawaii Women Lawyers, the Honorable Craig H. Nakamura, the Honorable Daniel Foley-retired, and eighteen individuals. Your Committee received testimony in opposition to the appointment of Judge Lisa M. Ginoza from one individual. Your Committee received comments on the appointment of Judge Lisa M. Ginoza from the Board of Directors of the Hawaii State Bar Association.

The Hawaii State Bar Association Board of Directors found the appointee to be qualified for the position of Chief Judge of the Intermediate Court of Appeals based on established criteria for determining the qualifications of judicial and executive appointments generally using the American Bar Association Guidelines for Reviewing Qualifications of Candidates for State Judicial Office. Specifically, the Board uses the following criteria in its deliberations: integrity and diligence, legal knowledge and ability, professional experience, judicial temperament, financial responsibility, public service, health, and ability to perform the responsibilities and duties required of the position for which the applicant has been nominated. The Board's rating system includes the categories of "qualified" and "not qualified".

Judge Lisa M. Ginoza received her Bachelor of Science degree, with highest distinction, in political science from Oregon State University, and her Doctorate of Jurisprudence from the William S. Richardson School of Law, where she was casenote editor and casenote co-author for the University of Hawai'i Law Review. She currently serves as an Associate Judge of the Intermediate Court of Appeals, where she has presided as lead judge in three hundred ninety merit decisions, authored twenty-seven published opinions and thirty-four separate concurring or dissenting opinions. In total, she has taken part in 1,178 merit decisions covering broad and varying areas of substantive law.

Prior to her appointment to the Intermediate Court of Appeals, Judge Ginoza served as First Deputy Attorney General of the State of Hawai'i, where she assisted the Attorney General in leading a department with over one hundred seventy attorneys. At the Department of the Attorney General, she had detailed involvement in a wide variety of matters, including litigation involving the State or its officials, advice and counsel to public officers, review of proposed legislation, asset forfeiture cases, investigation of administrative and criminal matters, administrative issues involving the Department, and coordinating efforts in numerous areas between federal, state, and county governments. Judge Ginoza also previously served as a partner with McCarriston Miller Mukai Mackinnon, where her private litigation practice included insurance cases, personal injury litigation, commercial and contract disputes, employment and discrimination lawsuits, and products liability cases at all court levels, including the Hawai'i Supreme Court, Ninth Circuit Court of Appeals, and Supreme Court of the United States.

Judge Ginoza has been active in the legal community throughout her career, including as a member of the Commission on Professionalism, co-chair of the Judicial Administration Committee of the American Judicature Society, and judge in the annual High School Mock Trial competition put on by the Young Lawyers Division of the Hawaii State Bar Association. She also regularly volunteers to speak with students visiting the Judicial History Center and also visits schools and other locations to speak with students.

Testimony submitted in support of Judge Ginoza's appointment commend the strength of her reasoning and the clarity of her decisions. As an Associate Judge of the Intermediate Court of Appeals, her written decisions are thoroughly researched, well-reasoned, and logically presented. Numerous testifiers praised her leadership abilities, strong work ethic, integrity, and commitment to fair and sound decision-making. In addition to her judicial qualifications, Judge Ginoza has also demonstrated strong administrative skill in her role as First Deputy Attorney General.

Your Committee finds that, based on the testimony submitted on her behalf, Judge Lisa M. Ginoza has the experience, temperament, judiciousness, and other competencies to be the Chief Judge of the Intermediate Appellate Court, and has the broad legal expertise, superb character, outstanding judicial temperament, and unwavering commitment to justice that are essential for a Chief Judge.

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 appointee, has found the appointee to be qualified for the position to which appointed and recommends that the Senate consent to the appointment.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 3369 Judiciary on Gov. Msg. No. 617

Recommending that the Senate consent to the appointment of the following:

FIRST CIRCUIT COURT JUDGE

G.M. No. 617 JAMES H. ASHFORD, for a term to expire in 10 years

Your Committee reviewed the personal history, resume, and statement submitted by Judge James H. Ashford for service on the Circuit Court of the First Circuit.

Your Committee received testimony in support of the appointment of Judge James H. Ashford from nine individuals. Your Committee received comments on the appointment of Judge James H. Ashford from the Board of Directors of the Hawaii State Bar Association.

The Hawaii State Bar Association Board of Directors found the appointee to be qualified for the position of First Circuit Court Judge based on established criteria for determining the qualifications of judicial and executive appointments generally using the American Bar Association Guidelines for Reviewing Qualifications of Candidates for State Judicial Office. Specifically, the Board uses the following criteria in its deliberations: integrity and diligence, legal knowledge and ability, professional experience, judicial temperament, financial responsibility, public service, health, and ability to perform the responsibilities and duties required of the position for which the applicant has been nominated. The Board's rating system includes the categories of "qualified" and "not qualified".

Judge James H. Ashford received his Bachelor of Arts degree from Claremont McKenna College, and his Doctorate of Jurisprudence from Loyola Law School, where he was on the Dean's List in his first two years. He currently serves as a District Judge of the First Circuit, where he presides primarily over criminal cases brought in the District Court. He has also presided over civil and felony criminal trials while on temporary assignment to the Circuit Court.

Prior to his appointment to the District Court of the First Circuit, Judge Ashford served as a litigation partner with Cades Schutte, LLP, where he represented a broad variety of clients in civil litigation, including contract, tort, employment, and trust and estate cases. Additionally, he represented several private secondary and post-secondary schools on issues concerning employee termination, accommodations, tenure, discipline, expulsion, and tuition. In his private litigation practice, Judge Ashford represented clients in proceedings at every level of the Hawai'i state court system, including the Intermediate Court of Appeals and the Hawai'i Supreme Court.

Judge Ashford has also been involved in the legal community, having served as a judge for Loyola Law School's annual moot court competition between eight and ten times over an approximately twelve-year period and has served as a Court Annexed Arbitration Program arbitrator several times. He is also currently president of the Hawaii State Trial Judges Association. In private practice, he was a member of his firm's Attorney Training and Development Committee for approximately twenty years, which included formally and informally mentoring and training associates, as well as attending annual attorney performance evaluations.

Testimony submitted in support of Judge Ashford's appointment draws attention to his thoughtful, high quality legal analysis; deep knowledge of Hawai'i law and court procedures; dedication to training young lawyers and helping to improve the State's legal system; and commitment to ensuring that he and others comply with ethical standards governing lawyers and judges. He is consistently patient and thoughtful in the cases over which he presides, and takes time to listen to litigants and render fair decisions. Several testifiers noted his great personal integrity, unwavering professionalism, and dedication to the fair and even-handed application of justice.

Your Committee finds that, based on the testimony submitted on his behalf, Judge James H. Ashford has the experience, temperament, judiciousness, and other competencies to be a First Circuit Court Judge, and has the strong personal integrity, superb judicial temperament, and legal acumen that are essential for a First Circuit Court Judge.

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 appointee, has found the appointee to be qualified for the position to which appointed and recommends that the Senate consent to the appointment.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 3370 Judiciary on Jud. Com. No. 3

Recommending that the Senate consent to the appointment of the following:

DISTRICT COURT OF THE FIRST CIRCUIT

J.C. No. 3 KEVIN T. MORIKONE, for a term to expire in 6 years

Your Committee reviewed the personal history, resume, and statement submitted by Kevin T. Morikone for service on the District Court of the First Circuit.

Your Committee received testimony in support of the appointment of Kevin T. Morikone from the Oahu Interscholastic Association and thirty-six individuals. Your Committee received comments on the appointment of Kevin T. Morikone from the Board of Directors of the Hawaii State Bar Association.

The Hawaii State Bar Association Board of Directors found the appointee to be qualified for the position of District Court Judge of the First Circuit based on established criteria for determining the qualifications of judicial and executive appointments generally using the American Bar Association Guidelines for Reviewing Qualifications of Candidates for State Judicial Office. Specifically, the Board uses the following criteria in its deliberations: integrity and diligence, legal knowledge and ability, professional experience, judicial temperament, financial responsibility, public service, health, and ability to perform the responsibilities and duties required of the position for which the applicant has been nominated. The Board's rating system includes the categories of "qualified" and "not qualified".

Kevin T. Morikone received his Bachelor of Arts degree in Political Science with a certificate in Ethnic Studies from the University of Hawai'i at Manoa, and his Doctorate of Jurisprudence from the William S. Richardson School of Law, where he graduated cum laude. Since October 2015, he has served as a per diem District Family Judge in the Family Court of the First Circuit while continuing his private practice at Hosoda and Morikone, LLC.

Mr. Morikone has been a partner at Hosoda and Morikone, LLC, since 2011, and has represented plaintiffs and defendants in commercial litigation, construction defect cases, real property disputes, foreclosures, landlord-tenant disputes, personal injury cases,

wrongful death cases, products liability cases, misdemeanor criminal proceedings, and collections. As a per diem District Family Judge in the Family Court of the First Circuit, Mr. Morikone has presided over temporary restraining order proceedings, adoptions, guardianship proceedings, paternity proceedings, uncontested and contested divorces, and cases involving detention homes. He has also served as an arbitrator in the Court Annexed Arbitration Program, arbitrating a slip and fall case in which he issued a decision which the parties accepted.

Mr. Morikone has been actively involved in the legal community throughout his career, including as a volunteer for Appellate Advocacy and Trial Practice courses and as pro bono legal counsel for the Oahu Interscholastic Association. In addition, he has served as the Foreclosure Commissioner since 2013, and participated in Lawyers League Softball since 2003.

Testimony submitted in support of Mr. Morikone's appointment commend his strong work ethic, keen legal knowledge, and high degree of professionalism when dealing with opposing counsel, judges, officers of the court, and clients. He has repeatedly demonstrated the ability in complex, multi-party commercial disputes, to approach contentious issues in a mature and constructive manner. Numerous testifiers also praised Mr. Morikone's integrity, diligence, and compassion.

Your Committee finds that, based on the testimony submitted on his behalf, Kevin T. Morikone has the experience, temperament, judiciousness, and other competencies to be a District Court Judge of the First Circuit, and that he has the intellect, experience, and demeanor to fully and faithfully discharge all the duties associated with the judicial office of District Court Judge.

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 appointee, has found the appointee to be qualified for the position to which appointed and recommends that the Senate consent to the appointment.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Thielen).

SCRep. 3371 Judiciary on H.B. No. 2247

The purpose and intent of this measure is to clarify that campaign advertisements broadcast, televised, circulated, published, distributed, or otherwise communicated by digital means, or through the Internet or online social media, are subject to campaign finance disclosure requirements.

Your Committee received comments on this measure from the Campaign Spending Commission and Internet Coalition.

Your Committee finds that as electronic communication and the Internet have become more integral to the daily lives of Hawaii's residents, they have been increasingly used by campaign committees, interest groups, and other entities to communicate to voters and influence elections. These communications using digital means or the Internet are not subject to the same legal standard of transparency as traditional forms of campaigning that is used to ensure fair elections. This measure will extend existing financial disclosure requirements to advertisements that are distributed electronically or through the Internet.

Your Committee has amended this measure by:

- (1) Removing redundant references to the Internet and social media;
- (2) Allowing a hyperlink to a webpage containing the information required to be disclosed for advertisements distributed through electronic or digital means if including the information within the advertisement is impracticable;
- (3) Making conforming amendments to other sections of chapter 11, Hawaii Revised Statutes;
- (4) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2247, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2247, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3372 (Joint) Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on S.C.R. No. 108

The purpose and intent of this measure is to urge the Federal Communications Commission, Federal Emergency Management Agency, and National Weather Service to make necessary updates to ensure that textual and audible information from the Emergency Alert System are matched and synchronized during television broadcasts.

Your Committees received testimony in support of this measure from the Disability and Communication Access Board, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Aloha State Association of the Deaf, and four individuals.

Your Committees find that this measure will improve access to the Emergency Alert System for and reduce confusion among persons who are blind, deaf, or hard of hearing by requesting the Federal Communications Commission, Federal Emergency Management Agency, and National Weather Service to match and synchronize textual and audible information for the Emergency Alert System.

However, your Committees have heard the concerns of the Disability and Communication Access Board that the Hawaii Emergency Management Agency may be well-positioned to assist federal agencies to update the Emergency Alert System on local television

stations, and that additional information on the purpose of information matching and synchronization may be needed, including the need to ensure persons with cognitive disabilities also receive accurate information about disasters.

Accordingly, your Committees have amended this measure by:

- (1) Clarifying that the Hawaii Emergency Management Agency is able to and is requested to work with the various federal agencies to ensure information matching and synchronization;
- (2) Clarifying the purpose of information matching and synchronization in emergency alert broadcasts and including references to people with cognitive disabilities to ensure that they also receive accurate information about disasters;
- (3) Amending its title in accordance with its amended purpose; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 108, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 108, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Ihara, Thielen).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Ihara, Tokuda).

SCRep. 3373 (Joint) Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on S.R. No. 67

The purpose and intent of this measure is to urge the Federal Communications Commission, Federal Emergency Management Agency, and National Weather Service to make necessary updates to ensure that textual and audible information from the Emergency Alert System are matched and synchronized during television broadcasts.

Your Committees received testimony in support of this measure from the Disability and Communication Access Board, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Aloha State Association of the Deaf, Ho'omana Pono, LLC, and three individuals.

Your Committees find that this measure will improve access to the Emergency Alert System for and reduce confusion among persons who are blind, deaf, or hard of hearing by requesting the Federal Communications Commission, Federal Emergency Management Agency, and National Weather Service to match and synchronize textual and audible information for the Emergency Alert System.

However, your Committees have heard the concerns of the Disability and Communication Access Board that the Hawaii Emergency Management Agency may be well-positioned to assist federal agencies to update the Emergency Alert System on local television stations, and that additional information on the purpose of information matching and synchronization may be needed, including the need to ensure persons with cognitive disabilities also receive accurate information about disasters.

Accordingly, your Committees have amended this measure by:

- (1) Clarifying that the Hawaii Emergency Management Agency is able to and is requested to work with the various federal agencies to ensure information matching and synchronization;
- (2) Clarifying the purpose of information matching and synchronization in emergency alert broadcasts and including references to people with cognitive disabilities to ensure that they also receive accurate information about disasters;
- (3) Amending its title in accordance with its amended purpose; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 67, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 67, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Ihara, Thielen).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Ihara, Tokuda).

SCRep. 3374 (Joint) Agriculture and Environment and Labor on S.C.R. No. 145

The purpose and intent of this measure is to request the Department of Agriculture, in collaboration with the Department of Labor and Industrial Relations, to convene an agriculture labor task force.

Your Committees received testimony in support of this measure from the University of Hawaii College of Tropical Agriculture and Human Resources; Hawaii Coffee Association; Hawaii Cattlemen's Council, Inc.; Kau Valley Farms; Heavenly Hawaiian Farms; Hawai'i Farm Bureau; MauiGrown Coffee, Inc.; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and three individuals. Your Committees received testimony in opposition to this measure from the Department of Labor and Industrial Relations. Your Committees received comments on this measure from the Department of Agriculture.

Your Committees find that the agriculture industry is currently in need of harvest labor; specifically, the coffee industry is in need of an expanded labor pool and improved availability of affordable housing for laborers. Your Committees further find that the homeless population and at risk veterans are two demographic groups that could benefit from employment while helping to alleviate the immediate pressure on the coffee industry. Your Committees note that while this measure seeks to target labor shortages in one

subsector of Hawaii's agriculture industry, your Committees support efforts to increase and improve labor in all agricultural sectors across the State.

Your Committees have amended this measure by specifying that the objective of the task force is to look for ways to address the immediate workforce shortage and improve the availability of affordable housing for laborers, in alignment with the goals of the K-12 agriculture workforce development pipeline initiative.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Labor that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 145, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 145, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Agriculture and Environment: Ayes, 4. Noes, none. Excused, 1 (Nishihara).

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

SCRep. 3375 (Joint) Higher Education and Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 182

The purpose and intent of this measure is to request the Board of Regents of the University of Hawai'i to rename the University of Hawai'i Institute for Astronomy to the Paul H.I. Coleman Astronomy Center.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Ho'olo Na Pua, and numerous individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the University of Hawai'i System.

Your Committees find that Paul H.I. Coleman was the first and only Native Hawaiian with a doctorate in astrophysics. Dr. Coleman's doctorate research focused on the sizes of distant galaxies observed at radio wavelengths and the implications of these for cosmological models. In his sixteen years with the Institute for Astronomy, Dr. Coleman played a key role in the Institute's education and public outreach efforts, speaking passionately about astronomy, its importance to Hawai'i, its history in Native Hawaiian voyaging and wayfinding, and how Hawaiians could play a major role in the field. Dr. Coleman was also a tireless advocate for astronomy in Hawai'i, advocating for the University of Hawai'i and Institute for Astronomy to business groups, rotary clubs, and chambers of commerce across the State.

Your Committees further find that Dr. Coleman passed away on January 16, 2018, at the age of sixty-two, leaving behind a legacy in the field of astronomy and the Native Hawaiian community in Hawai'i and throughout the world. He served as a mentor to a new generation of Native Hawaiian scientists and his dedication to the Native Hawaiian community, especially youth interested in science, technology, engineering, and mathematics, was irreplaceable and unparalleled.

Your Committees recognize that the policy of the Board of Regents of the University of Hawai'i requires that five years elapse after an individual's passing before consideration may be made in naming facilities or programs in honor of such individual. However, exceptions to this policy may be made under specified criteria, as was the case in naming the University of Hawai'i at Hilo College of Pharmacy after the late Daniel K. Inouye. Therefore, your Committees find it highly appropriate for the Board of Regents of the University of Hawai'i to recognize Dr. Coleman and his legacy for future generations at the University of Hawai'i in the same timely manner that the Board honored Daniel K. Inouye.

As affirmed by the records of votes of the members of your Committees on Higher Education and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 182 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Higher Education: Ayes, 4. Noes, none. Excused, 1 (Kim).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Ihara, Thielen).

SCRep. 3376 (Joint) Higher Education and Public Safety, Intergovernmental, and Military Affairs on S.R. No. 108

The purpose and intent of this measure is to request the Board of Regents of the University of Hawai'i to rename the University of Hawai'i Institute for Astronomy to the Paul H.I. Coleman Astronomy Center.

Your Committees received testimony in support of this measure from the Exploratorium, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and three individuals. Your Committees received comments on this measure from the University of Hawai'i System.

Your Committees find that Paul H.I. Coleman was the first and only Native Hawaiian with a doctorate in astrophysics. Dr. Coleman's doctorate research focused on the sizes of distant galaxies observed at radio wavelengths and the implications of these for cosmological models. In his sixteen years with the Institute for Astronomy, Dr. Coleman played a key role in the Institute's education and public outreach efforts, speaking passionately about astronomy, its importance to Hawai'i, its history in Native Hawaiian voyaging and wayfinding, and how Hawaiians could play a major role in the field. Dr. Coleman was also a tireless advocate for astronomy in Hawai'i, advocating for the University of Hawai'i and Institute for Astronomy to business groups, rotary clubs, and chambers of commerce across the State.

Your Committees further find that Dr. Coleman passed away on January 16, 2018, at the age of sixty-two, leaving behind a legacy in the field of astronomy and the Native Hawaiian community in Hawai'i and throughout the world. He served as a mentor to a new generation of Native Hawaiian scientists and his dedication to the Native Hawaiian community, especially youth interested in science, technology, engineering, and mathematics, was irreplaceable and unparalleled.

Your Committees recognize that the policy of the Board of Regents of the University of Hawai'i requires that five years elapse after an individual's passing before consideration may be made in naming facilities or programs in honor of such individual. However, exceptions to this policy may be made under specified criteria, as was the case in naming the University of Hawai'i at Hilo College of

Pharmacy after the late Daniel K. Inouye. Therefore, your Committees find it highly appropriate for the Board of Regents of the University of Hawai'i to recognize Dr. Coleman and his legacy for future generations at the University of Hawai'i in the same timely manner that the Board honored Daniel K. Inouye.

As affirmed by the records of votes of the members of your Committees on Higher Education and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 108 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Higher Education: Ayes, 4. Noes, none. Excused, 1 (Kim).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Ihara, Thielen).

SCRep. 3377 Education on S.C.R. No. 162

The purpose and intent of this measure is to request the Board of Education to establish a process whereby the public may petition the Board to add items to the agenda of the next meeting.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, League of Women Voters of Hawaii, and Native Hawaiian Education Council.

Your Committee finds that the public is permitted to testify at Board of Education meetings, but only for items that already appear on the agenda which has been set by the Board in advance of the meeting. A process whereby the public could petition the Board of Education to add items to the agenda of an upcoming meeting would advance the Board's stated goal of establishing a more open decision-making process and ensure that the public has an opportunity to provide input on the Board's decisions.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 162 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3378 Education on S.R. No. 121

The purpose and intent of this measure is to request the Board of Education to establish a process whereby the public may petition the Board to add items to the agenda of the next meeting.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, League of Women Voters of Hawaii, Native Hawaiian Education Council, and two individuals.

Your Committee finds that the public is permitted to testify at Board of Education meetings, but only for items that already appear on the agenda which has been set by the Board in advance of the meeting. A process whereby the public could petition the Board of Education to add items to the agenda of an upcoming meeting would advance the Board's stated goal of establishing a more open decision-making process and ensure that the public has an opportunity to provide input on the Board's decisions.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 121 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3379 Education on S.C.R. No. 194

The purpose and intent of this measure is to urge the Department of Education to ensure that all public school students, including public charter school students, have equal access to appropriate educational facilities and food service.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, Native Hawaiian Education Council, Prince Kūhiō Hawaiian Civic Club, Association of Hawaiian Civic Clubs, Kanu o ka Aina Learning Ohana, and three individuals.

Your Committee finds that there are thirty-seven charter schools serving approximately twelve thousand students, all of whom should have equal access to appropriate public school food services, but this is currently not the case. Some charter schools, especially those in rural areas of Hawaii, are denied access to national school lunch program subsidies because there are no United States Department of Agriculture certified kitchens available, other than those in Department of Education public schools. Because the Department of Education denies access to public school food services for charter school students, the State is losing federal school lunch subsidies for qualifying students. Additionally, the lack of appropriate free and reduced food service severely burdens and adversely impacts charter school families. Providing equal access to food services for charter school students ensures that all public school students are provided quality education and school meals.

Your Committee has amended this measure by:

- (1) Deleting language that urges the Department of Education to ensure equal access to educational facilities, including removing the reference to educational facilities in the title;
- (2) Deleting language that urges the Department of Education to provide equitable facility support to charter schools; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 194, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 194, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kahele).

SCRep. 3380 Education on S.R. No. 131

The purpose and intent of this measure is to urge the Department of Education to ensure that all public school students, including public charter school students, have equal access to appropriate educational facilities and food service.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association and Prince Kūhiō Hawaiian Civic Club.

Your Committee finds that there are thirty-seven charter schools serving approximately twelve thousand students, all of whom should have equal access to appropriate public school food services, but this is currently not the case. Some charter schools, especially those in rural areas of Hawaii, are denied access to national school lunch program subsidies because there are no United States Department of Agriculture certified kitchens available, other than those in Department of Education public schools. Because the Department of Education denies access to public school food services for charter school students, the State is losing federal school lunch subsidies for qualifying students. Additionally, the lack of appropriate free and reduced food service severely burdens and adversely impacts charter school families. Providing equal access to food services for charter school students ensures that all public school students are provided quality education and school meals.

Your Committee has amended this measure by:

- (1) Deleting language that urges the Department of Education to ensure equal access to educational facilities, including removing the reference to educational facilities in the title;
- (2) Deleting language that urges the Department of Education to provide equitable facility support to charter schools; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 131, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 131, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kahele).

SCRep. 3381 Transportation and Energy on Gov. Msg. Nos. 639 and 640

Recommending that the Senate advise and consent to the nominations of the following:

MEDICAL ADVISORY BOARD

G.M. No. 639 JOHN CORBOY, for a term to expire 06-30-2022; and

G.M. No. 640 ALAN STEIN, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by John Corboy, MD, and Alan Stein, MD, for service on the Medical Advisory Board.

JOHN CORBOY

Your Committee received testimony in support of the nomination for the reappointment of John Corboy, MD, from the Department of Transportation.

Upon review of the testimony, your Committee finds that Dr. Corboy is a former staff ophthalmologist at Kaiser Permanente Medical Group. He also has experience as a surgeon at the Hawaiian Eye Center, and has served as the Director for the Hawaiian Eye Center, Hawaiian Eye Surgicenter, and Tongan Medical Mission. Currently, Dr. Corboy is the president of Hawaiian Eye Foundation, a non-profit, charitable corporation. Dr. Corboy has served on the Medical Advisory Board since 2015, and his expertise in ophthalmology has greatly benefited the Medical Advisory Board when reviewing and evaluating vision-related cases. Your Committee finds that Dr. Corboy's experience and knowledge qualify him for reappointment to the Medical Advisory Board.

ALAN STEIN

Your Committee received testimony in support of the nomination for the reappointment of Alan Stein, MD, from the Department of Transportation.

Upon review of the testimony, your Committee finds that Dr. Stein has worked at Queens Medical Center since 1999 in various positions, including Director of the Neurophysiology Laboratory, Director of Epilepsy and Neurophysiology, and Director of Neurohospitalist Service. He has served as president and treasurer for the Epilepsy Foundation of Hawaii and Hawaii Neurological Society, and currently sits on the Board of Directors of the Hawaii Neurological Society. Dr. Stein has served on the Medical Advisory Board since 2015, and his expertise in neurology, epilepsy, and clinical neurophysiology ophthalmology has been invaluable to the Medical Advisory Board. Your Committee finds that Dr. Stein's experience and knowledge qualify him for reappointment to the Medical Advisory Board.

As affirmed by the records of votes of the members of your Committee on Transportation and Energy that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3382 Judiciary on H.B. No. 2596

The purpose and intent of this measure is to codify the Uniform Certificate of Title for Vessels Act, which:

- (1) Requires certain vessel owners to apply for a certificate of title within twenty days of becoming an owner or within twenty days of establishing principal use of the vessel in waters of the State; and
- (2) Establishes what information is required to be included in an application for a certificate of title, how to deal with transfer of vessel ownership and title, rights of a secured party, and rights of a purchaser other than a secured party.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and Commission to Promote Uniform Legislation. Your Committee received comments on this measure from the Office of Information Practices.

Your Committee finds that vessels under the jurisdiction of the Department of Land and Natural Resources that do not have a United States Coast Guard documentation number are only required to obtain a certificate of number with the Department's Division of Boating and Ocean Resources' Vessel Registration Office. However, this certificate of number does not ensure that a vessel is not stolen because the Vessel Registration Office cannot verify ownership of a vessel other than by documents provided by the registrant. Thus, the absence of a vessel titling law can lead to extensive fraud.

Your Committee further finds that thirty-five states have implemented some form of a vessel titling law, and three of those thirty-five have adopted the Uniform Certificate of Title for Vessels Act as their vessel titling law. Codifying the Uniform Certificate of Title for Vessels Act will reduce the number of stolen vessels being fraudulently registered with the State and promote compatibility between the laws of the State governing the ownership of vessels and the comparable ownership laws of other jurisdictions.

Your Committee notes the presence of definitional issues within this measure and encourages further examination of these issues if this measure is considered by a committee on conference.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2596, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3383 Judiciary on H.B. No. 2133

The purpose and intent of this measure is to specify that citizen complaints against a police officer that involve allegations of domestic abuse by the police officer against a family or household member shall not be required to be filed as a notarized or sworn written statement.

Your Committee received testimony in support of this measure from the Hawai'i State Commission on the Status of Women, Hawai'i State Democratic Women's Caucus, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual.

Your Committee finds that curtailing domestic violence is important for the health, safety, and welfare of citizens and that reporting and taking action against incidents of domestic violence is especially challenging and dangerous when the alleged perpetrator is a law enforcement officer. This measure will decrease the potential risk of retaliation against victims of domestic violence by police officers by allowing an individual to make a complaint against a police officer alleging an act of domestic violence against a family or household member without being required to swear to or make the complaint in writing. Your Committee notes concerns expressed by your Committee on Public Safety, Intergovernmental, and Military Affairs that the legislative intent is to apply this measure only to the civil administrative internal investigations within the police department, and additionally finds that the undefined term "citizen complaints" in this measure is unacceptably ambiguous.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that the citizen complaints against a police officer involving allegations of domestic abuse by the police officer against a family or household member are citizen administrative complaints; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2133, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2133, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3384 Education on H.B. No. 2507

The purpose and intent of this measure is to:

- (1) Remove preschools from the Superintendent of Education's scope of authority;

- (2) Clarify that the Executive Office on Early Learning Director may authorize preschool personnel access to a student's immunization registry information; and
- (3) Require the Board of Education to establish policies over and for the Superintendent to administer programs related to special education and Title I funded programs at the prekindergarten level.

Your Committee received testimony in support of this measure from the Hawaii Children's Action Network, Early Learning Board, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that this measure makes necessary housekeeping amendments to bring state law into conformity with previously enacted legislation and allows the Executive Office on Early Learning Director to ensure compliance with mandatory student immunization requirements. Additionally, this measure helps to clarify the intent of legislation to charge the Executive Office on Early Learning to develop a statewide early learning system with specific responsibilities.

Your Committee has amended this measure by inserting an effective date of July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2507, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2507, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kahele).

SCRep. 3385 (Joint) Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy on S.C.R. No. 188

The purpose and intent of this measure is to request the Mayors of the State's counties to submit a plan to the Legislature detailing how each county intends to meet its pledge of eliminating fossil fuels from ground transportation by 2045 and urging the Mayor of Kalawao to sign the pledge.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from Life of the Land and Hawai'i Gas.

Your Committees find that Hawaii depends heavily on imported fossil fuel, resulting in a loss of billions of dollars for the State each year. Your Committees further find that fossil fuels negatively impact air quality and contribute to climate change via increased greenhouse gas emissions. Your Committees believe that electric vehicles provide a more cost efficient and environmentally friendly alternative to gas-powered vehicles. Your Committees note that the Mayors of the Counties of Hawaii, Maui, and Kauai, and the City and County of Honolulu have signed a proclamation to eliminate fossil fuels from all ground transportation, which accounted for roughly twenty-six percent of Hawaii's fossil fuel usage in 2015. Your Committees find that in addition to the proclamation, each county should actively plan to ensure that it will eliminate all fossil fuel from ground transportation by 2045.

Your Committees have amended this measure by:

- (1) Replacing the reference to "electric buses" with "renewable technology";
- (2) Deleting any reference to the Mayor and County of Kalawao;
- (3) Clarifying that each Mayor is requested to submit a plan for that Mayor's respective county;
- (4) Amending its title to reflect its amended purpose; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 188, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 188, S.D. 1.

Signed by the Chairs on behalf of the Committees.
Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.
Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3386 (Joint) Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy on S.R. No. 141

The purpose and intent of this measure is to request the Mayors of the State's counties to submit a plan to the Legislature detailing how each county intends to meet its pledge of eliminating fossil fuels from ground transportation by 2045 and urging the Mayor of Kalawao to sign the pledge.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from Hawai'i Gas.

Your Committees find that Hawaii depends heavily on imported fossil fuel, resulting in a loss of billions of dollars for the State each year. Your Committees further find that fossil fuels negatively impact air quality and contribute to climate change via increased greenhouse gas emissions. Your Committees believe that electric vehicles provide a more cost efficient and environmentally friendly alternative to gas-powered vehicles. Your Committees note that the Mayors of the Counties of Hawaii, Maui, and Kauai, and the City and County of Honolulu have signed a proclamation to eliminate fossil fuels from all ground transportation, which accounted for roughly twenty-six percent of Hawaii's fossil fuel usage in 2015. Your Committees find that in addition to the proclamation, each county should actively plan to ensure that it will eliminate all fossil fuel from ground transportation by 2045.

Your Committees have amended this measure by:

- (1) Replacing the reference to “electric buses” with “renewable technology;
- (2) Deleting any reference to the Mayor and County of Kalawao;
- (3) Clarifying that each Mayor is requested to submit a plan for that Mayor’s respective county;
- (4) Amending its title to reflect its amended purpose; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 141, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 141, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3387 Transportation and Energy on S.C.R. No. 187

The purpose and intent of this measure is to request the Department of Transportation to study the effects on traffic congestion and safety when implementing a left-lane restriction for large trucks.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by:

- (1) Deleting its contents;
- (2) Inserting language urging the Department of Business, Economic Development, and Tourism to work with the United States Department of Energy to develop an Office of Science National Laboratory in the Kalaeloa community development district for researching renewable energy; and
- (3) Amending its title accordingly to read, “URGING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO PARTNER WITH THE UNITED STATES DEPARTMENT OF ENERGY TO ESTABLISH AN OFFICE OF SCIENCE NATIONAL LABORATORY IN THE KALAELOA COMMUNITY DEVELOPMENT DISTRICT.”

Your Committee received testimony in support of the proposed S.D. 1 from the O’ahu County Committee on Legislative Priorities of the Democratic Party of Hawai’i. Your Committee received comments on the proposed S.D. 1 from the Department of Business, Economic Development, and Tourism and Hawaii Community Development Authority.

Your Committee finds that in order for the State to reach its goal of one hundred percent renewable energy by 2045, high quality research facilities are needed to support the development of new energy-production technologies. Your Committee points to the United States Department of Energy Office of Science national laboratories as facilities that have the financial and logistical support to realize necessary technological advances, and notes that the State is a leader in renewable energy. Thus, establishing a national laboratory focused on renewable energy technology in Hawaii is mutually beneficial: Hawaii is an obvious location for conducting groundbreaking research on renewable energy, and a national laboratory in Hawaii will support the State’s goal of one hundred percent renewable energy.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Inserting language to include the Hawaii Community Development Authority, which oversees the Kalaeloa community development district, in the process of establishing a national laboratory in the Kalaeloa community development district; and
- (2) Amending its title in accordance with its amended purpose.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 187, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 187, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3388 Transportation and Energy on S.R. No. 136

The purpose and intent of this measure is to request the Department of Transportation to study the effects on traffic congestion and safety when implementing a left-lane restriction for large trucks.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by:

- (1) Deleting its contents;
- (2) Inserting language urging the Department of Business, Economic Development, and Tourism to work with the United States Department of Energy to develop an Office of Science National Laboratory in the Kalaeloa community development district for researching renewable energy; and

- (3) Amending its title accordingly to read, "URGING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO PARTNER WITH THE UNITED STATES DEPARTMENT OF ENERGY TO ESTABLISH AN OFFICE OF SCIENCE NATIONAL LABORATORY IN THE KALAELOA COMMUNITY DEVELOPMENT DISTRICT,".

Your Committee received testimony in support of the proposed S.D. 1 from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on the proposed S.D. 1 from the Department of Business, Economic Development, and Tourism and Hawaii Community Development Authority.

Your Committee finds that in order for the State to reach its goal of one hundred percent renewable energy by 2045, high quality research facilities are needed to support the development of new energy-production technologies. Your Committee points to the United States Department of Energy Office of Science national laboratories as facilities that have the financial and logistical support to realize necessary technological advances, and notes that the State is a leader in renewable energy. Thus, establishing a national laboratory focused on renewable energy technology in Hawaii is mutually beneficial: Hawaii is an obvious location for conducting groundbreaking research on renewable energy, and a national laboratory in Hawaii will support the State's goal of one hundred percent renewable energy.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Inserting language to include the Hawaii Community Development Authority, which oversees the Kalaheo community development district, in the process of establishing a national laboratory in the Kalaheo community development district; and
- (2) Amending its title in accordance with its amended purpose.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 136, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 136, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3389 Transportation and Energy on S.C.R. No. 193

The purpose and intent of this measure is to request the State and counties to eliminate the payroll lag for all employees.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by:

- (1) Deleting its contents;
- (2) Inserting language urging the Office of Homeland Security and Office of Planning to form a Critical Infrastructure and Resiliency Council; and
- (3) Amending the title accordingly to read, "URGING THE OFFICE OF HOMELAND SECURITY AND OFFICE OF PLANNING TO FORM A CRITICAL INFRASTRUCTURE AND RESILIENCY COUNCIL, WITH CONSULTATION FROM THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM,".

Your Committee received testimony in support of the proposed S.D. 1 from the Office of Homeland Security and Hawaiian Electric Company. Your Committee received comments on the proposed S.D. 1 from the Department of Business, Economic Development, and Tourism; Office of Planning; and Young Brothers.

Your Committee finds that the isolated nature of Hawaii makes it vulnerable to natural disasters. Therefore, enhancing the State's grid resiliency to maintain critical infrastructure operations is vital to the State's ability to recover quickly after a natural disaster. Formalizing a resiliency policy that sets clear goals to minimize the severity of damage and enable fast recovery of normal grid and critical infrastructure operations allows the State to outline how it plans to strengthen its ability to respond to natural disasters.

However, your Committee finds that it would be irresponsible for the State to set goals and invest in projects without a thorough assessment of the State's electrical grid and other critical infrastructure sector, as well as the financial resources available to encourage development of the State's grid and critical infrastructure. Thus, to complement a resiliency policy, your Committee believes a Critical Infrastructure and Resiliency Council, composed of emergency management and infrastructure experts, is necessary to establish strategies, goals, priorities, and recommendations to enhance the resiliency of the State's grid and assess the capacity and availability of existing resources.

Your Committee heard testimony suggesting that interisland transport services are critical to disaster recovery efforts.

Accordingly, your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by encouraging the Council to also invite regulated interisland water carriers serving all islands.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 193, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 193, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3390 Transportation and Energy on S.R. No. 133

The purpose and intent of this measure is to request the State and counties to eliminate the payroll lag for all employees.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which amends this measure by:

- (1) Deleting its contents;
- (2) Inserting language urging the Office of Homeland Security and Office of Planning to form a Critical Infrastructure and Resiliency Council; and
- (3) Amending the title accordingly to read, "URGING THE OFFICE OF HOMELAND SECURITY AND OFFICE OF PLANNING TO FORM A CRITICAL INFRASTRUCTURE AND RESILIENCY COUNCIL, WITH CONSULTATION FROM THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM,".

Your Committee received testimony in support of the proposed S.D. 1 from the Office of Homeland Security and Hawaiian Electric Company. Your Committee received comments on the proposed S.D. 1 from the Department of Business, Economic Development, and Tourism; Office of Planning; and Young Brothers.

Your Committee finds that the isolated nature of Hawaii makes it vulnerable to natural disasters. Therefore, enhancing the State's grid resiliency to maintain critical infrastructure operations is vital to the State's ability to recover quickly after a natural disaster. Formalizing a resiliency policy that sets clear goals to minimize the severity of damage and enable fast recovery of normal grid and critical infrastructure operations allows the State to outline how it plans to strengthen its ability to respond to natural disasters.

However, your Committee finds that it would be irresponsible for the State to set goals and invest in projects without a thorough assessment of the State's electrical grid and other critical infrastructure sector, as well as the financial resources available to encourage development of the State's grid and critical infrastructure. Thus, to complement a resiliency policy, your Committee believes a Critical Infrastructure and Resiliency Council, composed of emergency management and infrastructure experts, is necessary to establish strategies, goals, priorities, and recommendations to enhance the resiliency of the State's grid and assess the capacity and availability of existing resources.

Your Committee heard testimony suggesting that interisland transport services are critical to disaster recovery efforts.

Accordingly, your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by encouraging the Council to also invite regulated interisland water carriers serving all islands.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 133, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 133, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3391 Transportation and Energy on S.C.R. No. 91

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism to evaluate the role of renewable fuels in the Hawaii Clean Energy Initiative's goal of one hundred percent renewable energy.

Your Committee received testimony in support of this measure from Ulupono Initiative and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism and Hawaii Gas.

Your Committee finds that Hawaii's goal of one hundred percent clean, renewable energy means not only renewable electricity generation, but also clean, renewable energy for the transportation sector. Your Committee notes that while twenty-five percent of electricity generation is renewable energy, less than one percent of energy used in transportation is renewable, and the transportation sector requires more energy than electricity. Relying solely on electric vehicles to achieve a clean transportation sector is impractical, particularly as hydrocarbons are the most energy-dense way to store and transport energy. Thus, developing and incorporating renewable fuels will be critical to the State achieving its renewable energy goals. Your Committee notes that a plan from the Department of Business, Economic Development, and Tourism on how to incorporate renewable fuels into the Hawaii Clean Energy Initiative can serve as a blueprint for all stakeholders to follow.

Your Committee heard testimony noting a previous study on renewable fuels performed by the Department of Business, Economic Development, and Tourism did not include a study of biogas or other renewable gases, even though renewable gases can be an important component in achieving the Hawaii Clean Energy Initiative's goals.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that renewable fuels includes biogas and gases from renewable and sustainable sources; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 91, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 91, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3392 Transportation and Energy on S.R. No. 143

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism to evaluate the role of renewable fuels in the Hawaii Clean Energy Initiative's goal of one hundred percent renewable energy.

Your Committee received testimony in support of this measure from Ulupono Initiative and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism and Hawaii Gas.

Your Committee finds that Hawaii's goal of one hundred percent clean, renewable energy means not only renewable electricity generation, but also clean, renewable energy for the transportation sector. Your Committee notes that while twenty-five percent of electricity generation is renewable energy, less than one percent of energy used in transportation is renewable, and the transportation sector requires more energy than electricity. Relying solely on electric vehicles to achieve a clean transportation sector is impractical, particularly as hydrocarbons are the most energy-dense way to store and transport energy. Thus, developing and incorporating renewable fuels will be critical to the State achieving its renewable energy goals. Your Committee notes that a plan from the Department of Business, Economic Development, and Tourism on how to incorporate renewable fuels into the Hawaii Clean Energy Initiative can serve as a blueprint for all stakeholders to follow.

Your Committee heard testimony noting a previous study on renewable fuels performed by the Department of Business, Economic Development, and Tourism did not include a study of biogas or other renewable gases, even though renewable gases can be an important component in achieving the Hawaii Clean Energy Initiative's goals.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that renewable fuels includes biogas and gases from renewable and sustainable sources; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 143, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 143, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3393 Transportation and Energy on S.C.R. No. 186

The purpose and intent of this measure is to keep motorists and participants in marches, rallies, and public demonstrations safe, by:

- (1) Requesting demonstrators to follow traffic laws and public safety ordinances when crossing streets; and
- (2) Urging law enforcement to consider the safety and convenience of demonstrators and motorists.

Your Committee did not receive any testimony on this measure.

Your Committee finds that public demonstrations have played a significant role in shaping the United States. However, while such demonstrations are protected by the Constitution, the right to peaceably assemble is not absolute; restrictions can be placed on the time, place, and manner of peaceable assembly in order to keep the community safe. This measure emphasizes the need to balance the rights of demonstrators and the safety and security of the public by requesting demonstrators to be mindful of traffic laws and public safety ordinances and law enforcement to consider the well-being of demonstrators and motorists. Your Committee notes that a recent demonstration with a significant number of demonstrators resulted in traffic congestion when a stream of demonstrators ignored traffic signals as they crossed the street.

Your Committee has amended this measure by:

- (1) Requesting demonstrators to follow traffic laws and public safety ordinances in general, as opposed to just when crossing streets;
- (2) Applying the request to "permitted" events, as opposed to "recognized" events; and
- (3) Amending its title in accordance with its amended purpose.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 186, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 186, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3394 Transportation and Energy on S.R. No. 135

The purpose and intent of this measure is to keep motorists and participants in marches, rallies, and public demonstrations safe, by:

- (1) Requesting demonstrators to follow traffic laws and public safety ordinances when crossing streets; and
- (2) Urging law enforcement to consider the safety and convenience of demonstrators and motorists.

Your Committee did not receive any testimony on this measure.

Your Committee finds that public demonstrations have played a significant role in shaping the United States. However, while such demonstrations are protected by the Constitution, the right to peaceably assemble is not absolute; restrictions can be placed on the time, place, and manner of peaceable assembly in order to keep the community safe. This measure emphasizes the need to balance the rights of demonstrators and the safety and security of the public by requesting demonstrators to be mindful of traffic laws and public safety ordinances and law enforcement to consider the well-being of demonstrators and motorists. Your Committee notes that a recent

demonstration with a significant number of demonstrators resulted in traffic congestion when a stream of demonstrators ignored traffic signals as they crossed the street.

Your Committee has amended this measure by:

- (1) Requesting demonstrators to follow traffic laws and public safety ordinances in general, as opposed to just when crossing streets;
- (2) Applying the request to “permitted” events, as opposed to “recognized” events; and
- (3) Amending its title in accordance with its amended purpose.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 135, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 135, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3395 Commerce, Consumer Protection, and Health on S.C.R. No. 26

The purpose and intent of this measure is to request the Federal Communications Commission to establish regulations to require all cellular phones to receive wireless emergency alerts without an option to opt out of receiving emergency alert messages and without any added costs to service plans.

Your Committee received testimony in support of this measure from the O’ahu County Committee on Legislative Priorities of the Democratic Party of Hawai’i.

Your Committee finds that a reliable and timely communication system must be in place for disseminating information to the public about matters of national and local concern, including natural disasters, severe weather, and other local civic emergencies. The events of January 13, 2018, where the Hawaii Emergency Management Agency erroneously dispatched an incoming ballistic missile warning alert to citizens and visitors across the State, revealed a critical flaw in the emergency warning system. Although the warning sent that day was a mistake, some citizens and visitors received neither the warning nor the subsequent false alarm message on their cellular phones. This occurred because cellular phone owners are able to opt out of receiving certain wireless emergency alerts. Your Committee finds that allowing cellular phone owners the capability to opt out of these critical warnings creates a dangerous and unnecessary risk for the public. This measure therefore requests that the Federal Communications Commission establish regulations to require all cellular phones to receive wireless emergency alerts without an option to opt out of receiving these emergency alert messages and without any added costs to service plans.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 26 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

SCRep. 3396 Commerce, Consumer Protection, and Health on S.C.R. No. 27

The purpose and intent of this measure is to request the Auditor to conduct a sunrise review of the licensure and regulation of home inspectors.

Your Committee received testimony in support of this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs, Hawai’i Association of REALTORS, Hawaii Association of Home Inspectors, Forefront Inspections, and four individuals.

Your Committee finds that buying a home could be the largest single investment a person or family will ever make. To minimize unexpected costs and delays in purchasing the home, it is important for the purchaser to learn as much as possible about the newly constructed or existing home before closing on the purchase. Home inspectors play an integral role in many real estate transactions and can help identify any needed repairs or builder defects prior to closing, as well as any maintenance issues that are necessary to keep the home in good condition after purchase.

Your Committee further finds that unlike other professionals who are involved in real estate transactions, such as real estate appraisers, real estate brokers and salespersons, mortgage loan originators, and mortgage servicers, home inspectors are not regulated by the State and do not require state licensure to perform services in Hawaii. This measure therefore requests the Auditor to conduct a sunrise review of the licensure and regulation of home inspectors, which will provide much needed insight into the potential regulation of this profession.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 27, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 3397 (Joint) Hawaiian Affairs and Commerce, Consumer Protection, and Health on S.C.R. No. 74

The purpose and intent of this measure is to request the Auditor to conduct an impact assessment report of the social and financial impacts of mandating coverage for Native Hawaiian culture-based practices that have been empirically shown to have an effect in the management of weight, cardiovascular health, diabetes, and chronic kidney disease.

Your Committees received testimony in support of this measure from the Hawaiian Civic Club of Honolulu; Hawaiian Affairs Caucus of the Democratic Party of Hawaii; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Ho'omanana Pono, LLC; and Ho'omanapono Political Action Committee. Your Committees received testimony in opposition to this measure from Papa Ola Lōkahi, Center for Hawaiian Sovereignty Studies, and one individual. Your Committees received comments on this measure from one individual.

Your Committees find that Native Hawaiians have the highest rates of obesity, hypertension, diabetes, cardiovascular and cerebrovascular diseases, certain cancers, and mortality rates among any ethnic group in Hawaii. Your Committees further find that traditional Native Hawaiian practices, such as hula and canoe paddling, have been proven to be effective in weight management, cardiovascular health, diabetes management, and chronic kidney disease management. Your Committees believe that supporting traditional Native Hawaiian practices of healing is beneficial, and coverage for certain Native Hawaiian practices has the potential to substantially reduce illness and promote good health. Your Committees also believe that the potential for traditional Native Hawaiian practices to improve health merits further study into insurance coverage for certain Native Hawaiian culture-based practices.

Your Committees note that the Auditor may not have the necessary expertise or knowledge of traditional Native Hawaiian culture-based practices and that Papa Ola Lōkahi, the consultative body to the federal government in matters of Native Hawaiian health and Hawaiian healing traditions and practices, may be better suited to implement this measure.

Accordingly, your Committees have amended this measure by:

- (1) Deleting all references to the Auditor;
- (2) Deleting language regarding the statutory requirement of passing a concurrent resolution requesting the Auditor to prepare and submit a report on the social and financial effects of a proposed health insurance coverage prior to considering any legislative measures that mandates health insurance coverage for specific health services, among other things, and deleting the reference to S.B. No. 1315, Regular Session of 2017;
- (3) Inserting language requesting Papa Ola Lōkahi to conduct an assessment of the impact on social, financial, and cultural integrity of providing coverage for Native Hawaiian culture-based practices and Native Hawaiian healing practices that have shown to be effective in managing certain health concerns and requesting Papa Ola Lōkahi to submit its findings and recommendations regarding the assessment to the Legislature no later than twenty days prior to the convening of the Regular Session of 2020; and
- (4) Amending its title to reflect its amended purpose.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 74, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 74, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Green).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Nishihara, Tokuda).

SCRep. 3398 (Joint) Hawaiian Affairs and Commerce, Consumer Protection, and Health on S.R. No. 43

The purpose and intent of this measure is to request the Auditor to conduct an impact assessment report of the social and financial impacts of mandating coverage for Native Hawaiian culture-based practices that have been empirically shown to have an effect in the management of weight, cardiovascular health, diabetes, and chronic kidney disease.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Ho'omanana Pono, LLC; Ho'omanapono Political Action Committee and two individuals. Your Committees received testimony in opposition to this measure from Papa Ola Lōkahi and Center for Hawaiian Sovereignty Studies.

Your Committees find that Native Hawaiians have the highest rates of obesity, hypertension, diabetes, cardiovascular and cerebrovascular diseases, certain cancers, and mortality rates among any ethnic group in Hawaii. Your Committees further find that traditional Native Hawaiian practices, such as hula and canoe paddling, have been proven to be effective in weight management, cardiovascular health, diabetes management, and chronic kidney disease management. Your Committees believe that supporting traditional Native Hawaiian practices of healing is beneficial, and coverage for certain Native Hawaiian practices has the potential to substantially reduce illness and promote good health. Your Committees also believe that the potential for traditional Native Hawaiian practices to improve health merits further study into insurance coverage for certain Native Hawaiian culture-based practices.

Your Committees note that the Auditor may not have the necessary expertise or knowledge of traditional Native Hawaiian culture-based practices and that Papa Ola Lōkahi, the consultative body to the federal government in matters of Native Hawaiian health and Hawaiian healing traditions and practices, may be better suited to implement this measure.

Accordingly, your Committees have amended this measure by:

- (1) Deleting all references to the Auditor;
- (2) Deleting language regarding the statutory requirement of passing a concurrent resolution requesting the Auditor to prepare and submit a report on the social and financial effects of a proposed health insurance coverage prior to considering any legislative measures that mandates health insurance coverage for specific health services, among other things, and deleting the reference to S.B. No. 1315, Regular Session of 2017;
- (3) Inserting language requesting Papa Ola Lōkahi to conduct an assessment of the impact on social, financial, and cultural integrity of providing coverage for Native Hawaiian culture-based practices and Native Hawaiian healing practices that have shown to be effective in managing certain health concerns and requesting Papa Ola Lōkahi to submit its findings and

recommendations regarding the assessment to the Legislature no later than twenty days prior to the convening of the Regular Session of 2020; and

- (4) Amending its title to reflect its amended purpose.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 43, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 43, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (Galuteria, Green).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Nishihara, Tokuda).

SCRep. 3399 Judiciary on S.C.R. No. 9

The purpose and intent of this measure is to request the congressional delegation of Hawaii and the United States Congress to oppose “concealed carry reciprocity” legislation.

Your Committee received testimony in support of this measure from the Hawaii Youth Services Network, Young Progressives Demanding Action, Rainbow Family 808, and two individuals. Your Committee received testimony in opposition to this measure from the National Rifle Association, Institute for Rational and Evidence-based Legislation, and six individuals.

Your Committee finds that significant variation exists among jurisdictions in regard to standards and permitting requirements to lawfully carry a concealed firearm. Some jurisdictions do not require permits and, of the jurisdictions that do require permits, the requirements to qualify for a permit are stricter in some jurisdictions than others. Hawaii prohibits persons with a felony stalking conviction or persons subject to domestic violence restraining orders from carrying a concealed firearm, allows permit issuers to refuse to issue a permit to a person who displays dangerous warning signs, and requires safety training for every concealed carry permit applicant. Many jurisdictions do not share these requirements, and “concealed carry reciprocity” legislation could allow persons to carry a concealed firearm in Hawaii who would not ordinarily meet the State’s permitting requirements.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 9 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Gabbard). Noes, none. Excused, none.

SCRep. 3400 Judiciary on S.R. No. 7

The purpose and intent of this measure is to request the congressional delegation of Hawaii and the United States Congress to oppose “concealed carry reciprocity” legislation.

Your Committee received testimony in support of this measure from the Hawaii Youth Services Network, Young Progressives Demanding Action, and four individuals. Your Committee received testimony in opposition to this measure from the National Rifle Association, Institute for Rational and Evidence-based Legislation, and five individuals.

Your Committee finds that significant variation exists among jurisdictions in regard to standards and permitting requirements to lawfully carry a concealed firearm. Some jurisdictions do not require permits and, of the jurisdictions that do require permits, the requirements to qualify for a permit are stricter in some jurisdictions than others. Hawaii prohibits persons with a felony stalking conviction or persons subject to domestic violence restraining orders from carrying a concealed firearm, allows permit issuers to refuse to issue a permit to a person who displays dangerous warning signs, and requires safety training for every concealed carry permit applicant. Many jurisdictions do not share these requirements, and “concealed carry reciprocity” legislation could allow persons to carry a concealed firearm in Hawaii who would not ordinarily meet the State’s permitting requirements.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 7 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Gabbard). Noes, none. Excused, none.

SCRep. 3401 Judiciary on S.C.R. No. 67

The purpose and intent of this measure is to endorse the participation of Taiwan as an observer in the United Nations Framework Convention on Climate Change, International Civil Aviation Organization, World Health Organization, and International Criminal Police Organization. This measure also celebrates Hawaii’s twenty-fifth anniversary of sister-state relations with Taiwan.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that Taiwan is a committed provider of humanitarian aid and disaster relief around the world, an active contributor to climate change research, a hub of expertise in disease control and prevention, and a strong partner in the enforcement of transnational criminal law. Taiwan has a strong cultural, historical, and economic relationship with Hawaii, and is the tenth largest trading partner of the United States. Your Committee finds that Taiwan would be a valuable participant in the United Nations Framework Convention on Climate Change, International Civil Aviation Organization, World Health Organization, and International Criminal Police Organization. In addition, your Committee finds that the State should celebrate its twenty-five years of sister-state relations with Taiwan.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 67 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3402 Judiciary on S.R. No. 37

The purpose and intent of this measure is to endorse the participation of Taiwan as an observer in the United Nations Framework Convention on Climate Change, International Civil Aviation Organization, World Health Organization, and International Criminal Police Organization. This measure also celebrates Hawaii's twenty-fifth anniversary of sister-state relations with Taiwan.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that Taiwan is a committed provider of humanitarian aid and disaster relief around the world, an active contributor to climate change research, a hub of expertise in disease control and prevention, and a strong partner in the enforcement of transnational criminal law. Taiwan has a strong cultural, historical, and economic relationship with Hawaii, and is the tenth largest trading partner of the United States. Your Committee finds that Taiwan would be a valuable participant in the United Nations Framework Convention on Climate Change, International Civil Aviation Organization, World Health Organization, and International Criminal Police Organization. In addition, your Committee finds that the State should celebrate its twenty-five years of sister-state relations with Taiwan.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 37 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3403 Judiciary on S.C.R. No. 148

The purpose and intent of this measure is to strongly urge the United States Congress to pass legislation to clarify the status of migrants under the Compacts of Free Association for purposes of the REAL ID Act of 2005 to promote fairness and equality under the law.

Your Committee received testimony in support of this measure from the Department of Transportation, Hawai'i Civil Rights Commission, Hawaii Interpreter Action Network, and two individuals.

Your Committee finds that the United States has a special relationship with Compact of Free Association nations and their citizens. Citizens of such nations may enter into, work, and establish residence in the United States, but do not have a pathway to United States citizenship. These persons do not have limited authorized stays in the United States, rather they have authorization to stay on a long-term basis and build stability within their community of residence. Your Committee finds that citizens of Compact of Free Association nations who are residents of the United States should have the same legal abilities, opportunities, and advantages as other foreign nationals legally residing with the United States.

Your Committee has amended this measure by:

- (1) Inserting language urging the United States Citizenship and Immigration Services to delineate Compact of Free Association status as a specific category in the Systematic Alien Verification for Entitlement system and to clarify that the "unlimited length of stay" of persons with that status is sufficient for the same renewal period as legal permanent residents and United States citizens for purposes of driver's license and identification renewals, and other entitlements and benefits that may otherwise require an "end date of stay" entry;
- (2) Making a conforming amendment to the title; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 148, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 148, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3404 Judiciary on S.R. No. 92

The purpose and intent of this measure is to strongly urge the United States Congress to pass legislation to clarify the status of migrants under the Compacts of Free Association for purposes of the REAL ID Act of 2005 to promote fairness and equality under the law.

Your Committee received testimony in support of this measure from the Hawai'i Civil Rights Commission, Hawaii Interpreter Action Network, and one individual. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that the United States has a special relationship with Compact of Free Association nations and their citizens. Citizens of such nations may enter into, work, and establish residence in the United States, but do not have a pathway to United States citizenship. These persons do not have limited authorized stays in the United States, rather than have authorization to stay on a long-term basis and build stability within their community of residence. Your Committee finds that citizens of Compact of Free Association nations who are residents of the United States should have the same legal abilities, opportunities, and advantages as other foreign nationals legally residing with the United States.

Your Committee has amended this measure by:

- (1) Inserting language urging the United States Citizenship and Immigration Services to delineate Compact of Free Association status as a specific category in the Systematic Alien Verification for Entitlements system and to clarify that the “unlimited length of stay” of persons with that status is sufficient for the same renewal period as legal permanent residents and United States citizens for purposes of driver’s license and identification renewals, and other entitlements and benefits that may otherwise require an “end date of stay” entry;
- (2) Making a conforming amendment to the title; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 92, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 92, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3405 Hawaiian Affairs on Gov. Msg. No. 515

Recommending that the Senate advise and consent to the nomination of the following:

HAWAIIAN HOMES COMMISSION

G.M. No. 515 RANDY AWO, for a term to expire 06-30-2019

Your Committee reviewed the personal history, resume, and statement submitted by Randy Awo for service on the Hawaiian Homes Commission.

Your Committee received testimony in support of the nomination for the appointment of Randy Awo from the Department of Hawaiian Home Lands; Department of Land and Natural Resources; Pūnana Leo o Maui; Ku’iwalu Consulting; Maui MokuPuni Council of the Hawaiian Homestead Association; Waiohuli Hawaiian Homesteaders Association, Inc.; ‘Aina Ho’opulapula o Waohuli; Waiehu Kou Phase 3 Association, Inc.; Ho’omana Pono, LLC; Ho’omanapono Political Action Committee; one member of the State of Hawaii House of Representatives; and thirty-five individuals.

Mr. Awo was born and raised on Hawaiian homestead land in Waimānalo. He then moved to Waiehu Kou, a Hawaiian homestead land on Maui. Being born and raised on Hawaiian homestead land his whole life, Mr. Awo was surrounded and influenced by Native Hawaiian beliefs and practices and has worked to conserve and preserve Native Hawaiian practices and natural resources. Mr. Awo’s dedication to the conservation of natural resources is reflected in his twenty-six years of experience in the Department of Land and Natural Resources’ Division of Conservation and Resources Enforcement, of which he ultimately became the Administrator. Of his twenty-six years of experience in the Division of Conservation and Resources Enforcement, twenty-two years were spent dedicating his efforts in Maui. Mr. Awo’s advocacy for Hawaii’s natural resources was most poignantly demonstrated by his contentious stand against the SuperFerry and the negative impact the SuperFerry would have on the natural resources of Maui.

Mr. Awo is recognized in testimony for his efforts in forming community-to-government partnerships through collaboration and educational outreach such as collaborating with grassroots community organizations, state legislators, the University of Hawaii Law School, and the Hawaii State Judiciary, among others, to establish Hawaii’s first environmental court. Your Committee believes that Mr. Awo’s expertise in administration, first-hand experience living on Hawaiian homestead tracts, and close connection to the Native Hawaiian community qualify him to serve on the Hawaiian Homes Commission.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Green).

SCRep. 3406 Hawaiian Affairs on Gov. Msg. No. 635

Recommending that the Senate advise and consent to the nomination of the following:

ISLAND BURIAL COUNCIL, ISLANDS OF MAUI AND LĀNA’I

G.M. No. 635 JOHANNA KAMAUNU, for a term to expire 06-30-2021

Your Committee reviewed the personal history, resume, and statement submitted by Johanna Kamaunu for service on the Island Burial Council, Islands of Maui and Lāna’i.

Your Committee received testimony in support of the nomination for the reappointment of Johanna Kamaunu from the Department of Land and Natural Resources; Office of Hawaiian Affairs; and Ho’omana Pono, LLC.

Ms. Kamaunu has genealogical ties to ‘Āao Valley, Wai’ehu, and Waihe’e Valley. She was an educator in the Department of Education’s Hawaiian Studies Kupuna program for fourteen years. She also has experience doing genealogy and geographical research regarding the ahupua’a of Waikapū, Wailuku, Wai’ehu, and Waihe’e. Ms. Kamaunu has been actively participating in iwi preservation controversies on the island of Maui by attending and testifying at burial council meetings for seven years. Ms. Kamaunu has been serving on the Island Burial Council, Islands of Maui and Lāna’i since 2014 and is seeking to serve another term. Ms. Kamaunu’s extensive experience and knowledge of Hawaiian culture and history makes her an ideal candidate for the Island Burial Council, Islands of Maui and Lāna’i.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Green).

SCRep. 3407 Hawaiian Affairs on Gov. Msg. Nos. 561 and 562

Recommending that the Senate advise and consent to the nominations of the following:

ISLAND BURIAL COUNCIL, ISLAND OF HAWAI'I

G.M. No. 561 CLIFFORD KAPONO, for a term to expire 06-30-2018; and

G.M. No. 562 CLIFFORD KAPONO, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Clifford Kapono for service on the Island Burial Council, Island of Hawai'i.

Your Committee received testimony in support of either the nomination for the appointment or reappointment of Clifford Kapono, or both, from the Department of Land and Natural Resources; Office of Hawaiian Affairs; Ho'omana Pono, LLC; and five individuals.

Mr. Kapono has genealogical ties to Kohala and has lived most of his life in Hāmākua on Moku o Keawe on the island of Hawai'i. While Mr. Kapono's educational and professional background is in business, he has been focused on Native Hawaiian public health issues, specifically issues affecting the Keaukaha and other island of Hawai'i communities. Mr. Kapono has committed much of his time to revitalizing many Native Hawaiian practices, such as navigation, as one of the early members of the Hōkūle'a crew members in 1978. He is an advocate for the restoration of Kaho'olawe and has been a member of the Protect Kaho'olawe 'Ohana since 1980. Mr. Kapono has been an active participant in the Native Hawaiian community by educating young Hawaiians in math and science at Keaukaha Community Outreach, Kamehameha Schools Kea'au Campus, New Century Connections Public Charter School, and Hālau Lōkahi Public Charter School. He is now concentrating his efforts on protecting Native Hawaiian burials and archaeological resources. Your Committee believes that Mr. Kapono has dedicated much of his efforts to the Native Hawaiian community and the preservation of Native Hawaiian practices and his expertise in a variety of fields will provide valuable insights to the Island Burial Council.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Green).

SCRep. 3408 Hawaiian Affairs on Gov. Msg. Nos. 570 and 571

Recommending that the Senate advise and consent to the nominations of the following:

ISLAND BURIAL COUNCIL, ISLAND OF MOLOKA'I

G.M. No. 570 NILES SOARES, for a term to expire 06-30-2018; and

G.M. No. 571 NILES SOARES, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Niles Soares for service on the Island Burial Council, Island of Moloka'i.

Your Committee received testimony in support of the nominations for the appointment and reappointment of Niles Soares from the Department of Land and Natural Resources and Ho'omana Pono, LLC.

Mr. Soares was born and raised on the island of Moloka'i and is of part Native Hawaiian ancestry. His ancestors have been in Moloka'i for generations, with his great grandparents being one of the first applicants to receive Hawaiian homestead land in Kalama'ula and Ho'olehua. Mr. Soares has experience as a conservationist on Moloka'i, with years of experience working and interning for The Nature Conservancy for Moloka'i programs, and is currently a Field Associate for the Moloka'i/Maui Invasive Species Committee. He is also the lead genealogist responsible for maintaining his family's history in Moloka'i. Your Committee finds that Mr. Soares is eager to learn the legal and cultural protocol of working with iwi kupuna and believes he will be a good representative for the island of Moloka'i on the Island Burial Council with his extensive history on the island.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Green).

SCRep. 3409 Judiciary on H.B. No. 1849

The purpose and intent of this measure is to:

- (1) Require police departments to disclose to the Legislature the identity of a police officer upon the officer's suspension or discharge; and

- (2) Allow disclosure under the Uniform Information Practices Act of employment misconduct information that results in a county police officer's suspension.

Your Committee received testimony in support of this measure from the Office of Information Practices, American Civil Liberties Union of Hawai'i, Civil Beat Law Center for the Public Interest, Society of Professional Journalists Hawaii Chapter, and Young Progressives Demanding Action. Your Committee received comments on this measure from the League of Women Voters of Hawaii.

Your Committee finds that the Uniform Information Practices Act (UIPA) recognizes a government employee's significant privacy interest in information about possible misconduct up to a point. Under the UIPA, all government employees' misconduct information becomes public if the misconduct resulted in suspension or termination, except police officers, who retain a statutory privacy interest even in information about misconduct that results in suspension.

This measure will increase transparency and accountability in state law enforcement by treating information about a county police officer's suspension the same way as information about any other government employee's suspension, and require police departments to identify officers receiving a suspension in the department's annual reports to the Legislature.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1849, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3410 (Majority) Judiciary on H.B. No. 2357

The purpose and intent of this measure is to create an eviction process for the Hawaii Public Housing Authority's state low-income housing projects or programs and elder or elderly housing.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority.

Your Committee finds that Act 114, Session Laws of Hawaii 2017 (Act 114), exempted state low-income housing directly controlled, owned, or managed by the Hawaii Public Housing Authority, including elder or elderly housing, from the requirements of the residential landlord-tenant code under chapter 521, Hawaii Revised Statutes. Act 114 laid the foundation for an administrative eviction process that could lessen the caseload of the Judiciary and the Department of the Attorney General while preserving the due process rights of tenants. This measure establishes the procedures for that administrative eviction process for tenants in state low-income and elderly housing projects that is substantially similar to the eviction process for tenants in federal low-income public housing.

Your Committee notes concern that, as this measure currently exists, the Hawaii Public Housing Authority could conceivably appoint an eviction board that consists of a single tenant who would then conduct a hearing to determine cause of action on another tenant's eviction. Your Committee encourages further discussion if this measure is examined by your Committee on Conference to foreclose the possibility of arbitrary results in eviction hearings.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2357, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 3; Ayes with Reservations (Rhoads). Noes, 1 (Thielen). Excused, 1 (Gabbard).

SCRep. 3411 Judiciary on H.B. No. 2275

The purpose and intent of this measure is to require private streets, highways, or thoroughfares, except for private roads used exclusively by the owner or its employees, in the Kaka'ako community development district to conform to county construction and maintenance standards, and make the owners responsible for the costs of conforming and maintaining the private road.

Your Committee received testimony in support of this measure from Bank of Hawaii, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and Kaka'ako United. Your Committee received comments on this measure from the Hawaii Community Development Authority.

Your Committee finds that a significant number of private roads are used by the general public in the Kaka'ako community development district. In some cases, the owner charges a fee for the use of the road by members of the public. Some of these private roads have fallen into disrepair because the owners have not maintained the roads sufficient to meet the county's maintenance standards for county highways. Your Committee further finds that private roads that are used by the public and whose owners charge a fee for that use should be maintained to the same standard as other public roads, and that owners who profit from public use should be responsible for the costs of that maintenance.

Your Committee has amended this measure by:

- (1) Making it effective upon approval; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2275, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2275, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3412 Judiciary on H.B. No. 1932

The purpose and intent of this measure is to:

- (1) Authorize agencies to adopt specified emergency rules to lessen disruptions to prior practices caused by changes to federal legislation or federal and state court decisions;
- (2) Require a public hearing with no less than thirty days' notice prior to the adoption of any emergency rule; and
- (3) Limit the effective period of an emergency rule to no longer than the first day of the next occurring regular session of the Legislature after adoption of the emergency rule.

Your Committee received testimony in support of this measure from the Department of Education; United Public Workers, AFSCME, Local 646, AFL-CIO; University of Hawaii Professional Assembly; and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that chapter 91, Hawaii Revised Statutes, provides procedures for government agencies to adopt rules and adjudicate certain disputes within the purview of the agency. The provisions of chapter 91 address the need for public input and transparency in rule-making but the process can be lengthy, which can inhibit an agency's ability to conform its administrative rules to changes in state and federal law, resulting in an inability to provide critical clarification and guidance in a timely manner. This measure will allow agencies to adopt emergency rules in response to changes in the requirements of federal law or based on a state or federal court decision.

Your Committee notes that changes in the requirements of federal law may necessitate action by the Legislature to amend provisions of the Hawaii Revised Statutes upon which an agency's administrative rules may rely. In that situation, an agency may be reliant on the enactment of legislation to provide a new statutory foundation upon which the agency may adopt new permanent rules, and an emergency rule adopted by an agency should be operational until the Legislature has had the time and opportunity to act.

Accordingly, your Committee has amended this measure by:

- (1) Making emergency rules effective until the Legislature has passed legislation relating to the subject matter of the emergency rule and the legislation has either been enacted or vetoed by the governor; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1932, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1932, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3413 Judiciary on H.B. No. 2464

The purpose and intent of this measure is to:

- (1) Require the Department of Hawaiian Home Lands to study the issue of Hawaiian home lands lessees selling or transferring their leases for a fee or other personal gain and then applying for a subsequent lease; and
- (2) Require the Department to submit a report on the findings of the study to the Legislature prior to the convening of the Regular Session of 2020.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that certain native Hawaiians who are eligible for a lease pursuant to the Hawaiian Homes Commission Act have acquired a homestead lease, sold or transferred their interest in the lease, and then placed their names on the waitlist for a second homestead lease. This practice artificially lengthens the waitlist for homestead leases and reduces the chances of native Hawaiians entering the Hawaiian Homes Commission Act program in good faith to eventually receive a lease. Your Committee further finds that the Department of Hawaiian Home Lands is in the process of addressing the long waitlist for homestead leases by adopting a rule that would prohibit the sale of undivided interests and leases to lots that are vacant or undeveloped, in addition to other administrative actions. This measure will require the Department of Hawaiian Home Lands to study this issue and report to the Legislature so that it can be properly addressed and the intent of the Hawaiian Home Lands Commission Act can be better realized.

Your Committee has amended this measure by:

- (1) Requiring the Department of Hawaiian Home Lands to submit a report on the Department's study to the Legislature prior to the Regular Session of 2019, instead of 2020; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2464, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2464, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3414 Judiciary on H.B. No. 2442

The purpose and intent of this measure is to:

- (1) Require counties to take into custody any abandoned vehicle on a public road within ten business days;
- (2) Require written notice to the owner of an abandoned vehicle only if the vehicle had been reported stolen;
- (3) Amend the statutory interpretation of a “derelict vehicle” to include vehicles for which a notice of transfer has been submitted but the new owner has not transferred the title or registration; and
- (4) Repeal the requirement that abandoned vehicles be disposed of by public auction.

Your Committee received testimony in support of this measure from the Honolulu Police Department, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i, and three individuals. Your Committee received comments on this measure from the Department of Environmental Management of the County of Hawai‘i.

Your Committee finds that abandoned vehicles on public roads are a widespread environmental hazard that creates unsafe and unhealthy conditions for Hawai‘i’s residents and adversely impacts the availability of legal parking in many areas of the State. Although this measure will help the counties remove abandoned and derelict vehicles from public roads and dispose of vehicles taken into custody, your Committee questions whether it is necessary to specify the number of days within which a county is required to take any abandoned vehicle on a public road into custody.

Accordingly, your Committee has amended this measure by:

- (1) Changing the number of days within which a county is required to take any abandoned vehicle on a public road into custody to a blank amount; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2442, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2442, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3415 Commerce, Consumer Protection, and Health on H.B. No. 1934

The purpose and intent of this measure is to prohibit the Department of Health from approving the construction of sewage wastewater injection wells, with certain exceptions.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, O‘ahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i, Sierra Club, and one individual. Your Committee received comments on this measure from the Department of Health and American Council of Engineering Companies of Hawaii.

Your Committee finds that Hawaii has over six thousand six hundred injection wells, which can pose risks to nearshore waters and fresh water resources. Your Committee finds that this measure would prohibit the Department of Health from issuing permits for the construction of sewage wastewater injection wells, with certain exceptions.

Your Committee has heard concerns of the Department of Health and the American Council of Engineering Companies of Hawaii that the exception provided for “undue hardship” is poorly defined and may be superfluous in light of other language in this measure providing for an exception where there is no “available, feasible, or practical” alternative. Your Committee also notes the Department of Health’s recommendation that the language proposed by this measure might be better placed in section 340E-2(e), Hawaii Revised Statutes, which establishes the underground injection control program, rather than in chapter 342D, Hawaii Revised Statutes, which governs water pollution.

Your Committee has amended this measure by:

- (1) Relocating proposed amendments from chapter 342D, Hawaii Revised Statutes, to section 340E-2(e), Hawaii Revised Statutes;
- (2) Clarifying that the Director of Health is prohibited from issuing permits for the construction of sewage wastewater injection wells unless alternative wastewater disposal options are not available, feasible, or practical, rather than due to undue hardship; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1934, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1934, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

SCRep. 3416 (Joint) Hawaiian Affairs and Water and Land on S.R. No. 42

The purpose and intent of this measure is to urge the Office of Elections to amend the choice for self-declaration to allow the affiant to self-identify as “a person born within the geographic boundaries of what is currently the State of Hawai‘i; and/or a descendant of any citizen of the Hawaiian Kingdom that the United States once recognized as a nation prior to 1893”.

Prior to the hearing on this measure, your Committees posted and made available for public review a proposed S.D. 1, which deletes the contents of this measure and inserts language to urge all policymakers and residents of the City and County of Honolulu to support the Waianae Sustainable Communities Plan and the preservation of Ohikilolo as an open space.

Your Committees received testimony in support of the proposed S.D. 1 from the Department of Planning and Permitting of the City and County of Honolulu, Makaha Hawaiian Civic Club, Ho‘omanapono Political Action Committee, O‘ahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i, nine individuals, and a petition signed by over four hundred individuals. Your Committees received comments on the proposed S.D. 1 from the Department of Land and Natural Resources.

Your Committees find that according to the report on the 1994 “Archaeological Investigation of Lowland Kea‘au Valley on Leeward Coast of Oahu” study conducted by the International Archaeological Research Institute, Inc., researchers recorded four hundred sixty-one sites in just sixty acres of Ohikilolo that were recommended to be added to the National Registry of Historic Places. Your Committees further find that native Hawaiians families of the Waianae coast consider Ohikilolo to be part of Kanehunamoku, the sacred lands of Kane, the Hawaiian sun deity, and believe that La‘ila‘i, the first human, was born in this land. In the Kumulipo, the Hawaiian creation story, La‘ila‘i is known to become the mother of the Hawaiian race. Your Committees believe that the archaeological and historical significance of Ohikilolo to native Hawaiians calls for the preservation of these lands.

Your Committees have amended this measure by adopting the proposed S.D. 1, including the amended title, and further amending the measure by:

- (1) Clarifying that Friends of Ohikilolo is doing business as Na Kia‘i No Kanehunamoku and has registered as a non-profit organization; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water and Land that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 42, as amended herein, and recommend that it be referred to your Committee on Judiciary, in the form attached hereto as S.R. No. 42, S.D. 1.

Signed by the Chairs on behalf of the Committees.
 Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (English, Green).
 Water and Land: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3417 Ways and Means on H.B. No. 1900

The purpose and intent of this measure is to appropriate supplemental funds for the operating and capital improvement costs of the Executive Branch for the fiscal biennium beginning July 1, 2017, and ending June 30, 2019.

Your Committee received testimony in support of this measure from the Department of the Attorney General; the Department of Budget and Finance; the Department of Commerce and Consumer Affairs; the Department of Transportation; the Department of Business, Economic Development, and Tourism; the Department of Labor and Industrial Relations; the Department of Land and Natural Resources; the Department of Education; the Department of Human Services; the Department of Human Resources Development; the Department of Public Safety; the University of Hawaii System; the Hawaii State Public Library System; the Office of Enterprise Technology Services; the Office of Information Practices; Hawaii Housing Finance Development Corporation; the Executive Office on Early Learning; the Early Learning Board; Hawaii Technology Development Corporation; Hawaii Strategic Development Corporation; the Hawaii Green Infrastructure Authority; the Hawaii Center for Advanced Transportation Technologies; the Kauai County Council; the Maui County Office on Aging; the Kohala Coast Resort Association; the Big Island Invasive Species Committee; Dev League Inc; Waianae Coast Early Childhood Services; Makai Ocean Engineering, Inc.; the Kauai Watershed Alliance; Hawaii Evolutionary Development, LLC; Blue Ocean Mariculture LLC; Bright Light Digital; Residential Youth Services & Empowerment; Nalu Scientific, LLC; the Hawaii Primary Care Association; the GVS Accelerator; Ten Tomorrow; The Nature Conservancy; Catholic Charities Hawai‘i; the Hawai‘i Association of Watershed Partnerships; Partners in Care; Hawaii Children’s Action Network; Pūlama Lāna‘i; the Kaua‘i Watershed Alliance; the Hawai‘i Afterschool Alliance; Marine Genetics; the Coordinating Group on Alien Pest Species; Aquaculture Planning & Advocacy LLC; the Grove Farm Company; Shifted Energy; the Hawaii Aquaculture & Aquaponics Association; the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i; the Paia Town Association; Easterseals Hawaii; Hilo Medical Center; and ninety-three individuals.

Your Committee received testimony in opposition to this measure from the Office of the Lieutenant Governor; the Sustainable Action Fund for the Environment; the Kuau Next Door Community, Neighborhood Group; and seven individuals.

Your Committee received comments on this measure from the Office of the Governor; the Department of Taxation; the Department of Accounting and General Services; the Department of Health; the Department of Defense; the Department of Agriculture; the Department of Hawaiian Home Lands; Hawaii Health Systems Corporation; the Executive Office on Aging; the Hawaii Public Housing Authority; the City and County of Honolulu Office of the Mayor’s Office of Housing; the State Foundation on Culture and the Arts; United Public Workers; Family Promise of Hawai‘i; the Lyons Estate; Wai‘alae Elementary Public Charter School; and two individuals.

PART I. OVERVIEW

The Administration’s initial budget submittal to the Legislature added \$21,256,787 in general funds for fiscal year 2018-2019. Since submitting the initial budget to the Legislature in December, the Administration also submitted various Governor’s Messages that adjusted its initial request by adding \$66,402,852 in general funds for fiscal year 2018-2019.

The net change of the appropriations in this measure, as amended by your Committee, (Senate Draft) results in an executive budget for fiscal biennium 2017-2019 as follows:

	Fiscal Year 2017-2018		Fiscal Year 2018-2019	
	All Funds	General Funds	All Funds	General Funds
Executive Budget Act 49, SLH 2017	\$14,110,569,014	\$7,248,455,293	\$14,308,859,860	\$7,421,597,622

Executive Request (Including Governor's Messages #7, #8, #11 and #12)	\$0	\$0	\$122,073,349	\$66,402,852
Net Change of Senate Draft	(\$3,800,000)	(\$3,800,000)	\$55,717,890	\$70,699,004
Total Appropriation	\$14,106,769,014	\$7,244,655,293	\$14,364,577,750	\$7,492,296,626

PART II. GENERAL FUND REVENUES AND ECONOMY

The Council on Revenues increased its general fund tax revenue projection at both its January 2018 and March 2018 meetings.

The projections reflect the Council's consensus that the economy is performing well in fiscal year 2018 and will likely continue to do so into fiscal year 2019, but the economic conditions in subsequent years remain uncertain.

Currently, growing visitor arrivals, a strong national economy, and the tax cuts associated with the federal Tax Cuts and Jobs Act of 2017 are contributing to a stronger economy. However, the Council on Revenues had concerns about the amount of economic and political volatility as well as evidence of stagnant personal income growth, signaling that the economy may be nearing the end of its current expansionary cycle during the seven-year budget window. Further, the Council noted an increased chance of an economic downturn for fiscal years 2020 to 2024, as reflected in the lower growth numbers for those years.

COUNCIL ON REVENUES – DIFFERENCE IN GENERAL FUND TAX REVENUES BETWEEN FORECASTS ON MARCH 13, 2018 AND JANUARY 8, 2018 (In \$ Millions)				
	FY18	FY19	FY20	FY21
COR 03/13/18	\$6,649.9 5.3%	\$6,949.2 4.5%	\$7,227.1 4.0%	\$7,516.2 4.0%
COR 01/08/18	\$6,599.4 4.5%	\$6,883.2 4.3%	\$7,158.5 4.0%	\$7,444.8 4.0%
Difference	\$50.5	\$66.0	\$68.6	\$71.4

PART III. COMMITTEE'S PRIORITIES

Your Committee has worked diligently to create a responsible financial plan that includes a supplemental budget that continues to fund critical services and programs. Your Committee looked at ways to cut costs, reduce spending, and put forward bills to generate revenue. Together, this financial plan will eliminate negative earnings for the State in fiscal year 2018-2019 and achieve positive earnings in the overall state financial plan by fiscal year 2021-2022 – one year earlier compared to the current state financial plan.

Additionally, per the 2016 State Reserve Policy that recommends having ten percent of the general fund balance on hand, your Committee has invested \$125,000,000 into the Emergency and Budget Reserve Fund to work towards achieving a balance of \$700,000,000.

Your Committee believes it is important to limit the growth of government and reduce duplicative services. Where applicable, government agencies should be working with each other to provide services to Hawaii's residents. With that in mind, and incorporating each department's supplemental budget requests, your Committee reduced vacant positions to maintain the position ceiling identified in Act 49, Session Laws of Hawaii 2017.

Your Committee understands that there are many competing needs that the State must address. Your Committee recognizes the State's role in overseeing and managing a range of services for **our kupuna**; addressing the issues surrounding **homelessness**; investing in the development of **affordable housing**; funding **early childhood education**, **early college** programs, and the **Hawaii Promise** program; and making preparations to scale up our **farm-to-school** program statewide.

PART IV. OPERATING BUDGET

Accounting and General Services

The Senate Draft of the executive budget adjusts the Department of Accounting and General Services' appropriation for fiscal year 2018-2019 by adding \$5,524,601 in general funds and reducing \$22,175,198 in non-general funds.

The Administration's request adds \$114,242 in general funds and reduces \$21,735,000 in non-general funds in fiscal year 2018-2019.

Your Committee recognizes the Department's role in overseeing and managing a range of services for the State, including payroll. The Department has completed integration testing and is currently deploying the new statewide payroll and time and attendance systems. In order to provide essential support for the Department's most basic functions, your Committee approves \$284,190 in general funds for full-year funding of personnel to fully implement the centralized system that accurately accounts for employee attendance and remuneration.

Your Committee acknowledges and supports statewide compliance efforts by the State Procurement Office. Therefore, your Committee approves \$118,872 in general funds for salary parity and compensation for increased duties. Similarly, your Committee supports the efforts of the Office of Information Practices and approves \$115,000 in general funds for salary parity.

Your Committee also provides other necessary personnel and needs for the Department, including three positions and \$280,000 in general funds to the Rapid Transit Authority for construction management audit services, ensuring fiscal and legal compliance.

Agriculture

The Senate Draft of the executive budget adjusts the Department of Agriculture's appropriation for fiscal year 2018-2019 by adding \$10,144,376 in general funds and \$725,900 in non-general funds.

The Administration's request adds \$882,592 in non-general funds in fiscal year 2018-2019.

Your Committee recognizes the Department's role in overseeing and managing a range of services for the State, including farming. Two funds that perpetuate Hawaii's small farmers, the agricultural loan revolving fund and the water infrastructure special fund, will receive additional funding.

In addition, your Committee has worked diligently to identify ways to support local farmers and increase Hawaii's food production. Your Committee provides \$368,000 for performance testing crop trials on some of Hawaii's most highly imported food crops and \$350,000 for a local papaya study to identify factors that affect the quality of local papaya and establish protocols to enhance the marketability of local papaya.

Your Committee also recognizes the Department's responsibility to care for the environment by protecting native lands and species. Your Committee provides \$1,000,000 for invasive and hazardous plant mitigation and establishing a pilot project for environmental protection pesticide drift buffer zones.

Your Committee also provides two new positions and funding for the Farm-To-State program, aiming to leverage local farmers to provide healthy meals for Hawaii's schools and other state facilities. Your Committee notes that the Department of Agriculture can expand its support for the Aina Pono program to enhance the identification of local farmers for which the State can be a consistent customer.

Attorney General

The Senate Draft of the executive budget adjusts the Department of Attorney General's appropriation for fiscal year 2018-2019 by adding \$1,262,453 in general funds and \$170,973 in non-general funds.

The Administration's request adds \$4,086,371 in general funds and \$36,500 in non-general funds in fiscal year 2018-2019.

Your Committee recognizes the Department's role in overseeing and managing a range of services for the State, including legal action. The Department's litigation fund received an appropriation of \$5,000,000 in fiscal year 2017-2018, of which \$1,200,000 has been encumbered. Therefore, your Committee approves a \$3,800,000 reduction of moneys in this fund for fiscal year 2017-2018, while adding \$600,000 for fiscal year 2018-2019 in the base budget.

Your Committee approves the transfer of the Office of Child Support Hearings' positions and funds from the Child Support Enforcement Agency (CSEA) to the Legal Services Division. The transfer is necessary because the Office of Child Support Hearings is in an inherently adversarial position to the CSEA as some of the Office's decisions in child support disputes can contravene the efforts of the CSEA.

Your Committee also provides a seed amount of \$300,000 for Law Enforcement Security Operations to prepare for unforeseen or large events that require additional security personnel.

Business, Economic Development, and Tourism

The Senate Draft of the executive budget adjusts the Department of Business, Economic Development, and Tourism's appropriation for fiscal year 2018-2019 by adding \$7,265,790 in general funds and reducing \$97,554,745 in non-general funds.

The Administration's request adds \$5,536,362 in general funds and reduces \$1,799,953 in non-general funds in fiscal year 2018-2019.

Your Committee recognizes the Department's role in promoting the growth and diversification of Hawaii's aerospace industry. Therefore, your Committee provides \$300,000 in general funds to the Office of Aerospace Development to restore funding for the unmanned aerial systems program and for the Pacific International Space Center for Explorations Systems.

Your Committee also provides \$400,000 in general funds for regional economic development plans for each county to help identify jobs in urban and rural areas based on development or industries within each county and encourages the Department to work with others to develop K-12 career pathways for each school that emphasizes the skills necessary to meet the State's specific industry needs.

Your Committee acknowledges the need to further leverage limited governmental resources through public-private partnerships. These partnerships will help state and local government in undertaking certain capital improvement projects in a more cost-effective and efficient manner by allowing more innovative project delivery methods. Your Committee provides five positions and \$400,000 in general funds to promote public-private partnerships.

Budget and Finance

The Senate Draft of the executive budget adjusts the Department of Budget and Finance's appropriation for fiscal year 2018-2019 by reducing \$81,329,447 in general funds and adding \$2,064,160 in non-general funds.

The Administration's request reduces \$81,262,363 in general funds and adds \$1,761,642 in non-general funds in fiscal year 2018-2019.

Your Committee recognizes the Department's role in administering the retirement and survivor benefits program for state and county employees. To help manage the retirement system's resources, your Committee approves one position and \$2,064,160 in other funds for an internal audit, computer and office automation, and for compliance.

Due to recently revised actuarial projections, your Committee approves reductions in contributions to debt service, retirement benefits, and health premium payments, saving \$81,329,447 in general funds.

Commerce and Consumer Affairs

The Senate Draft of the executive budget adjusts the Department of Commerce and Consumer Affairs' appropriation for fiscal year 2018-2019 by adding \$9,478,840 in non-general funds.

The Administration's request adds \$1,360,396 in non-general funds in fiscal year 2018-2019.

Your Committee recognizes the Department's role in maintaining and disbursing the Time Warner reserve account. In order to provide essential infrastructure and support for the State's Institutional Network, your Committee approves \$8,200,000 in non-general funds to be distributed among the Department of Education, the University of Hawaii, and the Office of Enterprise Technology Services.

Your Committee also provides two positions and \$1,210,906 in non-general funds to support a market regulation program for research, analysis, and enforcement. This federal grant will allow the Department to increase expert working knowledge and enforce consumer protection in the health insurance marketplace.

Your Committee acknowledges the need for a Deputy Securities Commissioner to assist with day-to-day operations. Therefore, your Committee approves one position and \$85,029 in non-general funds for the Business Registration and Securities Division.

Defense

The Senate Draft of the executive budget adjusts the Department of Defense's appropriation for fiscal year 2018-2019, by adding \$1,820,475 in general funds and reducing \$28,248,482 in non-general funds.

The Administration's request adds \$1,890,583 in general funds and reduces \$27,685,513 in non-general funds in fiscal year 2018-2019.

Your Committee recognizes the importance of honoring and supporting Hawaii's military veterans. Your Committee has provided \$200,000 in general funds to the Hawaii State Veterans Cemetery for repairs and maintenance that will improve visitor logistics and safety.

Your Committee supports the Department's efforts to strengthen statewide security and provides two positions and \$135,000 in general funds for the Hawaii State Fusion Center, which provides a nexus of collaborative information from national and in-state agencies, enhancing the ability of local officials to better protect their communities.

Your Committee is also committed to disaster-preparedness and emergency response and approves \$238,000 in general funds for repairs and maintenance of the State Emergency Operation Center facilities. Your Committee also provides \$150,000 in general funds to the Hawaii Emergency Management Agency for critical information technology infrastructure that will improve technical capacity to disseminate information and decrease errors.

Education

The Senate Draft of the executive budget adjusts the Department of Education's appropriation for fiscal year 2018-2019 by adding \$32,556,148 in general funds and \$150,000 in non-general funds.

The Administration's request adds \$27,196,978 in general funds for fiscal year 2018-2019.

Regular Education

Your Committee acknowledges the success of investing in our keiki through initiatives such as the Hawaii Keiki and Early College programs and commits \$2,800,000 and \$1,000,000, respectively, in general funds for the continued funding of these programs.

Your Committee recognizes the difficulties of teaching without adequate materials or equipment and allocates \$3,133,234 in general funds for equipment for new school facilities and \$3,106,500 in general funds for instructional materials and equipment for special education classroom teachers statewide.

Juvenile delinquency and juvenile arrests are often a result of the inability to keep students engaged during and after school. To combat this problem, your Committee authorizes one position and appropriates \$2,084,000 in general funds for two existing alternative learning centers and a third new alternative learning center in the Nanakuli-Waianae complex. Your Committee also appropriates \$1,600,814 in general funds for after-school programs for intermediate and middle school students.

Your Committee recognizes that travel for interscholastic athletic competitions can be cost prohibitive for some students. Therefore, your Committee approves \$850,000 in general funds and \$150,000 in private funds for athletic travel statewide.

Libraries

Your Committee recognizes the importance of having safe spaces in our communities to encourage learning and development. To help with this effort, your Committee approves \$500,000 in general funds to raise the base budget for repair and maintenance to \$1,000,000.

Your Committee is also aware of a decline in libraries' revenue and an increase in prices for books and materials as a result of the rising demand for electronic books. Therefore, your Committee approves \$500,000 in general funds to raise the base budget for books and materials to \$750,000.

With the opening of the new Nanakuli Public Library, your Committee approves an additional 3.5 positions and \$103,656 in general funds. As a result, the new state-of-the-art library, scheduled to open shortly, will be fully staffed, able to open six days a week, and provide special services, including business development and cultural programming.

Charter Schools

Your Committee is committed to supporting Hawaii's public charter schools and provides \$1,317,937 in general funds based on the per-pupil allocation for charter schools.

Your Committee recognizes the importance of attracting and retaining qualified teachers in our charter schools and provides \$667,050 in general funds for the Hard-to-Staff incentive and \$142,000 for the National Board Certified Teachers incentive. This will help charter schools provide a competitive salary for teachers.

Early Learning

Your Committee recognizes the efforts of the Executive Office on Early Learning and the Early Learning Board and supports the development of pre-kindergarten programs. Therefore, your Committee approves \$68,000 in general funds for operating expenses including travel and computer equipment.

Governor

The Senate Draft of the executive budget adjusts the Office of the Governor's appropriation for fiscal year 2018-2019 by adding \$20,000 in general funds.

The Administration's request adds \$892,285 in general funds in fiscal year 2018-2019.

Your Committee recognizes the importance of the Governor's role as an ambassador of Hawaii and provides \$20,000 in general funds to host a meeting of the Western Governors' Association in the State of Hawaii.

Health

The Senate Draft of the executive budget adjusts the Department of Health's appropriation for fiscal year 2018-2019 by adding \$38,700,931 in general funds and reducing \$3,297,838 in non-general funds.

The Administration's request adds \$57,131,622 in general funds and reduces \$3,206,657 in non-general funds in fiscal year 2018-2019.

Your Committee recognizes the Department's role in overseeing and managing a range of services for the State, including Kupuna Care. Noting the rapidly aging population, your Committee provides \$3,800,000 for the Kupuna Care program and \$4,000,000 for the Kupuna Caregiver Fund. Additionally, your Committee provides \$1,700,000 for aging and disability resource centers on all islands.

Your Committee also recognizes the need to support emergency medical services and those employees who provide first response in emergency situations. Your Committee provides \$3,600,000 towards ambulance services and an additional \$3,000,000 to fund two new ambulances.

Your Committee also provides \$1,000,000 for chronic homeless and substance abuse treatment to combat Hawaii's homelessness issues.

Hawaii Health Systems Corporation

Your Committee recognizes the Hawaii Health Systems Corporation's role in overseeing and managing many of Hawaii's hospitals and provides \$11,200,000 for an operating subsidy.

Further, your Committee provides Hilo Medical Center with \$1,500,000 for a Cardiac Unit and Hawaii Health Systems Corporation with \$5,000,000 to cover unfunded collective bargaining raises from fiscal year 2016-2017.

Human Resources Development

The Senate Draft of the executive budget adjusts the Department of Human Resources Development's appropriation for fiscal year 2018-2019 by adding \$231,080 in general funds.

The Administration's request adds \$101,080 in general funds for fiscal year 2018-2019.

Your Committee recognizes the importance of providing training and development opportunities for state employees and provides \$101,080 in general funds for the Learning Management System.

Your Committee adds one position and \$130,000 in general funds for the State's Chief Negotiator.

Human Services

The Senate Draft of the executive budget adjusts the Department of Human Services' appropriation for fiscal year 2018-2019 by adding \$26,242,775 in general funds and \$14,106,554 in non-general funds.

The Administration's request adds \$32,254,104 in general funds and \$15,710,261 in non-general funds in fiscal year 2018-2019.

Your Committee affirms the Ohana Nui framework to whole-person health and provides \$4,410,000 in general funds and \$6,615,000 in non-general funds for the full restoration of the Medicaid adult dental benefit. Your Committee also provides \$240,000 in general funds for various targeted juvenile justice programs statewide.

Homeless Initiatives

Your Committee recognizes the Department's role in addressing homelessness statewide. To provide services through the Housing First program, Rapid Re-Housing program, Family Assessment Center, and Coordinated Statewide Homeless Initiative, your Committee approves \$7,680,000 in general funds in addition to \$1,000,000 in non-general funds. Additionally, your Committee

approves \$5,750,000 in general funds for homeless outreach, civil legal services, stored property and debris removal services, and "Ohana Zones" pilot project implementation.

Hawaii Public Housing Authority

Your Committee finds the State Rent Supplement Program is in need of supplemental funding and therefore adds \$1,500,000 in general funds for housing payments for low-income recipients.

Labor and Industrial Relations

The Senate Draft of the executive budget adjusts the Department of Labor and Industrial Relations' appropriation for fiscal year 2018-2019 by reducing \$161,658 in general funds and \$3,437,545 in non-general funds.

The Administration's request adds \$47,903 in general funds and reduces \$3,437,545 in non-general funds in fiscal year 2018-2019.

Your Committee recognizes the importance of the Hawaii Labor Relations Board and adds two positions and \$145,000 in general funds for necessary personnel and capacity to handle the growing caseload across the State.

Your Committee also acknowledges the need for operational support for the Office of Community Services and approves \$47,903 in general funds for administrative and legal needs.

Land and Natural Resources

The Senate Draft of the executive budget adjusts the Department of Land and Natural Resources' appropriation for fiscal year 2018-2019 by adding \$2,484,910 in general funds and \$18,718,259 in non-general funds.

The Administration's request adds \$2,201,775 in general funds and \$8,906,222 in non-general funds in fiscal year 2018-2019.

Your Committee recognizes the Department's role in operating and maintaining state parks, trails, and beaches, and approves ten positions and \$1,658,820 in non-general funds for improvements and continued administration as well as \$4,308,554 in non-general funds for lifeguard services and park management. Your Committee also acknowledges the need for marine resources monitoring and ocean safety and therefore provides \$2,600,000 in non-general funds.

Your Committee also provides nine positions and \$4,423,706 in special funds for invasive species removal and the implementation of the Hawaii Interagency Biosecurity Plan in addition to \$500,000 in non-general funds for the Native Ecosystem Protection program and three positions, and \$73,422 in general funds for ecosystem protection and restoration.

Your Committee acknowledges the need for an enforcement academy and computer-aided dispatch center and therefore approves five positions and \$553,938 in general funds for the Division of Conservation and Resources Enforcement.

Finally, your Committee approves necessary personnel and capacity for the State Historic Preservation Division, including seven positions and \$756,046 in general funds and \$300,000 in non-general funds for staffing and operational needs.

Lieutenant Governor

The Senate Draft of the executive budget adjusts the Office of the Lieutenant Governor's appropriation for fiscal year 2018-2019 by reducing \$73,880 in general funds.

The Administration made no requests in general funds for fiscal year 2018-2019.

Your Committee recognizes that the previous Lieutenant Governor had special arrangements for travel to his home island of Maui that required additional personnel. With his resignation, your Committee reduces one position and \$73,880 in general funds.

Department of Public Safety

The Senate Draft of the executive budget adjusts the Department of Public Safety's appropriation for fiscal year 2018-2019 by adding \$14,235,021 in general funds.

The Administration's request adds \$8,501,084 in general funds and reduces \$6,589,465 in non-general funds in fiscal year 2018-2019.

Halawa Correctional Facility continues to undergo renovations, and unforeseen delays in construction and repairs require continued housing of inmates in non-state facilities. Consequently, your Committee provides \$6,841,997 in general funds for fiscal year 2017-2018 and fiscal year 2018-2019.

Your Committee also recognizes the liability of inmate health care and has approved \$1,944,923 in general funds for Medicaid payments and \$745,527 in general funds for pharmacy costs.

With increased attention on homelessness, efforts to clean up and remove illegal homeless camping operations have also risen. Your Committee approves eight deputy sheriff positions and \$419,302 in general funds to support those efforts.

Taxation

The Senate Draft of the executive budget adjusts the Department of Taxation's appropriation for fiscal year 2018-2019 by adding \$877,098 in general funds and \$1,841,878 in non-general funds.

The Administration's request adds \$1,010,826 in general funds and \$283,368 in non-general funds in fiscal year 2018-2019.

Your Committee recognizes the Department's role in promoting and maintaining a tax system based on self-assessment and voluntary compliance to reduce the amount of outstanding taxes owed to the State. The Special Enforcement Section, which focuses on compliance, has consistently exceeded all revenue expectations and has the ability to further increase collection. Therefore, your

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Committee increases the Section’s special fund ceiling to \$2,000,000 in non-general funds, allowing for six new positions and \$541,000 for the Section.

Your Committee also acknowledges that the Tax System Modernization project has demonstrated the potential to help taxpayers and the Department by speeding up processing times, ensuring greater accuracy, and securing taxpayer information. Therefore, in continuing to support the project, your Committee approves a transfer of six positions and \$900,000 in general funds from the Office of Enterprise Technology Services for the Tax System Modernization project.

Transportation

The Senate Draft of the executive budget adjusts the Department of Transportation’s appropriation for fiscal year 2018-2019 by adding \$5,750,000 in general funds and \$89,588,983 in non-general funds.

The Administration’s request adds \$91,183,649 in non-general funds in fiscal year 2018-2019.

Airports

Your Committee approves \$39,000,000 in special funds for the operating expenses of the consolidated rental car facilities at the Daniel K. Inouye International Airport and the Kahului Airport, and for the purchase of shuttle buses for the consolidated rental car facility at the Daniel K. Inouye International Airport.

Your Committee supports the Airports Division’s commitment to the Hawaii Clean Energy Initiative and approves \$10,994,788 in special funds for the purchase of clean energy vehicles for the Wiki Wiki Shuttle service at the Daniel K. Inouye International Airport.

Harbors

Your Committee supports the Harbors Modernization Project and approves \$4,159,351 in special funds for back rents owed to the Airports Division to gain land management rights for the Kapalama Container Terminal, which broke ground earlier this year.

Highways

Your Committee recognizes the importance of the state highway system and allocates \$5,500,000 in general funds for special maintenance of the highway system. For highway safety, your Committee approves \$5,000,000 in federal funds for the Motor Vehicle Safety Office.

Administration

Your Committee is aware of our aging population and the need for a transit plan for seniors and individuals with disabilities, and therefore approves \$302,925 in special funds and \$200,000 in federal funds for the update of the Statewide Coordinated Public Transit Human Services Plan.

Your Committee recognizes the need for a statewide transportation plan and allocates \$400,000 in special funds for the update of the Hawaii Statewide Transportation Master Plan.

University of Hawaii

The Senate Draft of the executive budget adjusts the University of Hawaii’s appropriation for fiscal year 2018-2019 by adding \$4,898,331 in general funds and \$3,650,410 in non-general funds.

The Administration’s request adds \$6,700,000 in general funds in fiscal year 2018-2019.

In line with the priorities outlined by the Senate President at the beginning of the 2018 Regular Session, your Committee approves \$700,000 in general funds for the Hawaii Promise program to provide scholarships for college students with financial needs and to encourage more students to attend college.

Your Committee also provides other necessary personnel and capacity needs for the University of Hawaii, including ten positions and \$1,250,000 in general funds for online learning to strengthen and expand access to education statewide.

Your Committee acknowledges critical repair and maintenance and health and safety needs for the University of Hawaii at all campuses. In an effort to eliminate the University’s deferred maintenance backlog, modernize facilities, and ensure campus environments are safe, sustainable, and supportive of modern practices in teaching, learning, and research, your Committee approves seven positions and \$1,500,000 in general funds to the University of Hawaii.

PART V. CAPITAL IMPROVEMENTS PROGRAM BUDGET

Your Committee finds an opportunity to invest in the State’s infrastructure while remaining fiscally prudent.

The Administration’s proposed capital improvement program budget totaled:

	<u>FY 2018</u>	<u>FY 2019</u>
General Obligation Bonds	\$1,027,951,000	\$669,493,000
All Means of Financing	\$2,289,745,000	\$2,192,535,000

Your Committee amends this budget to provide the following in capital improvement funds to focus on critical and significant capital projects:

	<u>FY 2018</u>	<u>FY 2019</u>
General Obligation Bonds	\$1,010,951,000	\$674,855,000
All Means of Financing	\$2,272,745,000	\$2,039,406,000

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1900, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1900, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3418 Commerce, Consumer Protection, and Health on H.B. No. 2342

The purpose and intent of this measure is to:

- (1) Expand the methods by which a consumer may request a security freeze; and
- (2) Specify that a consumer credit reporting agency shall not charge a fee for placing, lifting, or removing a security freeze on a consumer's credit report or for placing or removing a security freeze on a protected consumer's credit report or records.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; AARP Hawai'i; and five individuals. Your Committee received comments on this measure from the Consumer Data Industry Association.

Your Committee finds that recent events involving security breaches of databases containing sensitive identifying information, such as social security numbers and addresses, have shown that repositories of consumers' personal information continue to be at high risk of infiltration by identity thieves. Your Committee notes that the 2017 cybersecurity breach of consumer credit reporting agency Equifax's databases, where criminals exploited an information technology vulnerability and gained access to a trove of personal information, including social security numbers, birth dates, addresses, driver's license numbers, and credit card numbers, potentially impacted 143,000,000 American consumers, including nearly 450,000 Hawaii consumers.

Your Committee further finds that a security freeze, which prohibits a consumer credit reporting agency from releasing a consumer's credit report or any information from the report without the consumer's express authorization, is an effective way for a consumer to protect the consumer's sensitive personal information. Your Committee additionally finds that although some consumers have taken steps to protect their personal information by requesting a security freeze, many consumers have not, due to the costs and inconvenience associated with placing security freezes. According to testimony received by your Committee, a consumer who places, temporarily lifts, and then later removes a security freeze may pay \$45 in fees to the various consumer credit reporting agencies.

As the number of security breaches and cases of identity theft continue to rise, your Committee finds that Hawaii consumers should be able to more conveniently place, lift, or remove security freezes. This measure therefore eliminates the fee a consumer credit reporting agency can charge a consumer to place, lift, or remove a security freeze; removes the requirement that a consumer send proof of identity theft along with a security freeze request; and expands the methods by which a consumer may submit a security freeze request.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2018; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2342, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2342, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Tokuda).

SCRep. 3419 Commerce, Consumer Protection, and Health on H.B. No. 2657

The purpose and intent of this measure is to:

- (1) Clarify and standardize the terminology used to refer to behavior analysts and the practice of applied behavior analysis; and
- (2) Broaden and clarify the exemption of licensed or credentialed practitioners practicing within their own recognized scopes of practice who are already exempt from the Behavior Analyst Law.

Your Committee received testimony in support of this measure from the Department of Health; State Council on Developmental Disabilities; Board of Psychology; Hawai'i Psychological Association; Alaka'i Na Keiki, Inc.; Aloha Behavioral Associates; Arc of Kona; and one individual. Your Committee received testimony in opposition to this measure from three individuals. Your Committee received comments on this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs, Hawai'i Medical Service Association, Hawai'i Association for Behavior Analysis, and two individuals.

Your Committee finds that the Department of Health's Developmental Disabilities Division operates Hawaii's Medicaid Intellectual and Developmental Disabilities Home and Community-Based Services Waiver (I/DD Waiver) on behalf of the Department of Human Services, Med-QUEST Division. Your Committee notes that the provision of applied behavior analysis services in the I/DD Waiver is for adults and is most often used for people with entrenched and challenging behaviors that include self-harm and aggression toward others.

Your Committee further finds that under existing law, the broad definition of the "practice of behavior analysis" has been interpreted to mean that even simple behavior interventions, including for adults without autism, require a licensed behavior analyst. Although the number of licensed behavior analysts is growing, there is a current shortage of licensed behavior analysts in the State. This lack of workforce, coupled with the shortage of licensed behavior analysts needed to supervise registered behavior technician training hours,

has limited access to applied behavior analysis services for adults in the I/DD Waiver. Accordingly, this measure supports access to the necessary applied behavior analysis services for adults in the I/DD Waiver, while also maintaining appropriate quality assurance, participant safeguards, and participant rights.

Your Committee additionally finds that under existing law, well-qualified professionals have been unintentionally restricted from providing behavior analysis services to individuals with autism and other behavioral challenges. Such services include the well-established, two-tiered delivery model for applied behavior analysis-based autism treatment that has been routinely used in the field of psychology, in research and private practice, since the 1980s. This measure therefore clarifies psychologists' scope of practice, as it relates to behavior analysis.

Finally, your Committee has heard the concerns that existing law has unintentionally restricted the certification of assistants and behavior technicians to one certifying agency, although there are other national certifying agencies who are accredited by the American National Standards Institute or the National Commission for Certifying Agencies. Amendments to this measure to address these concerns are therefore needed.

Your Committee has amended this measure by:

- (1) Clarifying the qualified individuals who work under the direction of certain licensed practitioners and who are exempt from licensure as a behavior analyst, to include:
 - (A) Assistant behavior analysts with board certification from a national certifying agency who practice under the direction of a licensed behavior analyst or licensed psychologist;
 - (B) Behavior technicians credentialed by a nationally recognized training organization who are under the direction of a licensed behavior analyst or licensed psychologist; and
 - (C) Matriculated graduate students or post-doctoral fellows whose activities or practice is directly supervised by a licensed behavior analyst, licensed psychologist, or instructor from a nationally recognized training organization;
- (2) Clarifying that the definition of "caregiver" includes individuals who provide habilitative services, rather than rehabilitative services, in certain care settings;
- (3) Removing a restriction under existing law that prevented licensed psychologists, engaged in the practice of applied behavior analysis within the recognized scope of practice for licensed psychologists, from referring to themselves as behavior analysts; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2657, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2657, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Tokuda).

SCRep. 3420 Commerce, Consumer Protection, and Health on H.B. No. 2207

The purpose and intent of this measure is to require the Board of Dental Examiners to adopt rules to establish a regulatory structure for the regulation of dental assistants in Hawaii.

Your Committee received testimony in support of this measure from the Board of Dental Examiners, Hawaii Dental Hygienists' Association, and a petition with ninety-seven names. Your Committee received comments on this measure from the Hawaii Dental Association.

Your Committee finds that dental assistants are auxiliary personnel who perform supportive dental procedures under the direct supervision, direction, evaluation, and responsibility of a licensed dentist. Your Committee further finds that Hawaii is one of only a handful of states that does not require certification of dental assistants. Training for dental assistant duties is generally done on the job by the supervising dentist or another assistant, and may vary from office to office or dentist to dentist.

According to testimony received by your Committee, several tasks routinely performed by dental assistants can pose a reasonable risk of injury to patients. As such, establishing uniform training and certification standards for dental assistants will ensure the health, safety, and well-being of Hawaii dental patients. This measure therefore requires the Board of Dental Examiners to adopt rules to establish a tiered regulatory structure for the regulation of dental assistants in Hawaii. However, your Committee has heard concerns that the tiered system proposed by this measure does not establish minimum education, training, or certification requirements for tier 1 basic dental assistants.

Your Committee notes that S.B. No. 2926, S.D. 1 (Regular Session of 2018), which was previously passed by the Senate, also proposes to regulate dental assistants in Hawaii. Your Committee concludes that the language in S.B. No. 2926, S.D. 1, is preferable because it establishes minimum requirements for all dental assistants hired on or after July 1, 2018, establishes other uniform training standards for dental assistants, and requires dental assistant certification by the Dental Assisting National Board, Inc. Your Committee notes that the Dental Assisting National Board, Inc., is a national certification board for dental assistants that currently certifies more than thirty-seven thousand dental assistants nationwide, and its certification program is accredited by the National Commission for Certifying Agencies.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2926, S.D. 1, a measure which:

- (A) Establishes minimum requirements for all dental assistants hired on or after July 1, 2018;
 - (B) Requires dental assistants employed on or after July 1, 2018, to successfully complete the Dental Assisting National Board, Inc.'s National Entry Level Dental Assistant certification within three years of first being hired;
 - (C) Requires dental assistants with four or more years' experience to apply or register for the Dental Assisting National Board, Inc.'s Certified Dental Assistant certification; and
 - (D) Exempts dental assistants with more than ten years' experience from having to obtain a Certified Dental Assistant certification, but requires these dental assistants to hold a cardiopulmonary resuscitation certification and pass the Dental Assisting National Board, Inc.'s Infection Control examination within two years; and
- (2) Inserting an effective date of July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2207, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2207, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Tokuda).

SCRep. 3421 Commerce, Consumer Protection, and Health on H.B. No. 1869

The purpose and intent of this measure is to exempt from the Landlord-Tenant Code a seller of residential real property who occupies the residential real property after the transfer of the seller's ownership rights.

Your Committee received testimony in support of this measure from the Hawai'i Association of REALTORS. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that in a typical real estate transaction, sellers move out of a property prior to closing, a time when the seller's ownership rights are transferred to the buyer and the buyer takes occupancy and control of the property upon the closing of escrow and the transfer of title from the seller to the buyer. However, if a seller does not or refuses to move out, the seller becomes a holdover seller.

According to testimony received by your Committee, there are times when a seller may need to extend occupancy of the property beyond the close of escrow, most commonly when a seller needs more time to move. Your Committee further finds that although there is an exclusion in the Landlord-Tenant Code for buyers who need to take early occupancy of a residential real property prior to closing, there is not a similar exclusion for holdover sellers. This measure therefore establishes a specific exemption from the Landlord-Tenant Code for holdover sellers. Your Committee notes that under this measure, a holdover seller who improperly maintains occupancy could still be removed from the residential real property, but only through an ejectment proceeding.

Your Committee has amended this measure by:

- (1) Changing its effective date to November 1, 2018; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1869, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1869, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3422 Commerce, Consumer Protection, and Health on H.B. No. 1620

The purpose and intent of this measure is to establish the Vehicle Repair Practices Task Force to study and report on motor vehicle repairs made with original equipment manufacturer parts versus aftermarket parts and the effects of the use of these parts on automobile insurance coverage and costs.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Hawaii Insurers Council, National Association of Mutual Insurance Companies, Property Casualty Insurers Association of America, GEICO, and LKQ Corporation. Your Committee received testimony in opposition to this measure from the Automotive Body and Painting Association of Hawaii, Sigs Collision Center, and three individuals. Your Committee received comments on this measure from the Office of Information Practices and State Farm Mutual Automobile Insurance Company.

Your Committee finds that as the motor vehicle industry evolves, motor vehicles have become increasingly complicated. Safety features on a motor vehicle are no longer limited to impact-absorbing bumpers, safety glass, and airbags, and may now include back-up cameras, lane departure systems, automatic braking sensors, and other electronic devices located in parts of a car susceptible to crash damage. It is therefore important to ensure consumer safety when choosing a crash part to repair damage to a vehicle after a collision. This measure addresses the issues surrounding motor vehicle repairs by establishing the Vehicle Repair Practices Task Force to study and report on motor vehicle repairs made with original equipment manufacturer parts versus aftermarket parts and the effects of the use of these parts on automobile insurance coverage and costs.

Your Committee notes that the companion to this measure, S.B. No. 2243, S.D. 1, which was previously passed by the Senate, is a measure which also addresses the use of original equipment manufacturer crash parts and aftermarket crash parts, also known as like

kind and quality, crash parts. Your Committee finds that under existing law, insureds and claimants are required to pay the difference between the cost of cheaper aftermarket crash parts and the original equipment manufacturer crash parts.

According to testimony received by your Committee, although crash parts were originally cosmetic in design, for today's newer motor vehicles, many crash parts are no longer merely cosmetic and are engineered and crash tested as part of a complex safety system. The language in S.B. No. 2243, S.D. 1, is therefore preferable because it requires motor vehicle insurers to provide consumers with a choice of authorizing a repair provider to utilize a like kind and quality crash part or the original equipment manufacturer crash part; specifies that like kind and quality parts must meet certain quality and performance standards; and clarifies when a consumer will not have to pay the difference between the cost of an aftermarket crash part and an original equipment manufacturer crash part.

Your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2243, S.D. 1, a measure which:
 - (A) Requires insurers to provide a choice to the insured consumer of authorizing a repair provider to utilize a like kind and quality crash part or the original equipment manufacturer crash part;
 - (B) Specifies that an insured consumer who chooses the use of an original equipment manufacturer crash part that would affect the insured consumer's crash avoidance or safety systems shall not be required to pay the additional cost for repairs using that original equipment manufacturer crash part;
 - (C) Specifies that an insured consumer who chooses the use of an original equipment manufacturer crash part that would not affect the insured consumer's crash avoidance or safety systems shall pay the additional cost of the original equipment manufacturer crash part that is in excess of the equivalent like kind and quality crash part, unless original equipment manufacturer crash parts are required by the vehicle manufacturer's warranty or the use of a like kind and quality crash part would void an existing manufacturer's warranty or the insured consumer's vehicle lease agreement;
 - (D) Inserts an effective date of July 1, 2050, to encourage further discussion; and
 - (E) Inserts a sunset date of July 1, 2023;
- (2) Requiring a repair provider to disclose to an insured consumer any potential impact on a vehicle manufacturer's warranty of the use of a like kind and quality crash part, or whether any crash part that meets the vehicle manufacturer's specifications is acceptable for purposes of maintaining a vehicle manufacturer's warranty; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that under existing law, motor vehicle repair dealers and motor vehicle repair mechanics must be licensed. However, neither a shop that performs cosmetic repairs nor the individuals performing cosmetic work on a vehicle need to be licensed. In light of the continuing discussions surrounding original equipment manufacturer crash parts and like kind and quality crash parts, your Committee requests the Motor Vehicle Repair Industry Board to consider whether certifying shops and individuals that perform cosmetic work on motor vehicles would be appropriate. Your Committee also requests the Motor Vehicle Repair Industry Board to examine the area of law covered by this amended measure and its impact on the area of law that is within the Board's purview.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1620, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1620, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 3423 Commerce, Consumer Protection, and Health on H.B. No. 2060

The purpose and intent of this measure is to:

- (1) Remove the word "Examiners" from the State Board of Chiropractic Examiners, Board of Dental Examiners, Board of Examiners in Optometry, and Board of Veterinary Examiners; and
- (2) Rename these boards with titles that more accurately reflect their scope and duties.

Your Committee received testimony in support of this measure from the Hawaii Dental Hygienists' Association and a petition with ninety-seven names. Your Committee received testimony in opposition to this measure from the Board of Dental Examiners. Your Committee received comments on this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs.

Your Committee finds that several regulatory boards in Hawaii have the word "Examiners" in their names, although the boards no longer administer examinations. Accordingly, this measure removes the word "Examiner" from the State Board of Chiropractic Examiners, Board of Dental Examiners, Board of Examiners in Optometry, and Board of Veterinary Examiners, and renames these boards with titles that accurately reflect each board's respective scope and duties.

Your Committee has amended this measure by:

- (1) Renaming the Board of Dental Examiners as the Board of Dentistry and Oral Hygiene, rather than the Board of Dentistry and Dental Hygienists;
- (2) Ensuring consistency by specifying that any other measures passed during the Regular Session of 2018 shall be amended to conform to this measure, unless the other measures specifically amend this measure;

- (3) Changing its effective date to July 1, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2060, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2060, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Tokuda).

SCRep. 3424 Commerce, Consumer Protection, and Health on H.B. No. 2149

The purpose and intent of this measure is to amend the ethics training requirement for dentists in the continuing education program to be six hours of ethics training within the previous two years.

Your Committee received testimony in support of this measure from the Board of Dental Examiners and Hawaii Dental Association.

Your Committee finds that this measure amends the ethics training requirements for dentists to six hours over the course of two years, rather than requiring three hours of ethics training each year. Your Committee notes that this measure does not change the total amount of ethics training required for dentists over a two-year period; rather, this measure provides greater flexibility for dentists to schedule and complete this training.

Your Committee has amended this measure by:

- (1) Clarifying that a dentist licensee must complete at least six hours of ethics training in the previous two years for each licensing biennium renewal period to comply with the continuing education requirements for license renewal; and
- (2) Changing its effective date to July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2149, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2149, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3425 Commerce, Consumer Protection, and Health on H.B. No. 1873

The purpose and intent of this measure is to:

- (1) Require annual distribution of any policy stating that an association of apartment owners may deduct and apply portions of common expense assessments to unpaid late fees, legal fees, fines, and interest and require such policy be included in any agreement by a condominium owner that allows the association to automatically withdraw assessments from an owner's bank account; and
- (2) Require an association to disclose certain information upon demand for payment of an assessment.

Your Committee received testimony in support of this measure from Associa; Board of Directors of the Association of Apartment Owners, Country Club Village, Phase 2; and six individuals. Your Committee received testimony in opposition to this measure from the Hawaii Council of Associations of Apartment Owners, Hui 'Oia'i'o, and five individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that this measure requires condominium associations to distribute their priority of payment policies to members on an annual basis and disclose certain information upon demand for payment of an assessment. However, your Committee has heard concerns that this measure does not address the non-essential condominium expenses, unrelated to common assessments, that a condominium owner must pay, regardless of whether the condominium owner disputes such amounts.

Your Committee notes that the companion to this measure, S.B. No. 2054, which was previously passed by your Committee, amends Hawaii's existing pay first, dispute later requirement, which specifies that owners are not permitted to withhold any assessment claimed by their association, but must first pay the disputed amounts and then exercise their right to mediation, arbitration, or small claims court. Your Committee acknowledges that condominium associations in Hawaii would be unable to function if owners were able to withhold payments of common expense assessments. Therefore, the language in S.B. No. 2054 is preferable because it makes a narrowly-tailored exception to the pay first, dispute later requirement by clarifying that common expense assessments are the only fees that must be paid prior to initiating a dispute. Under the language in S.B. No. 2054, if the unit owner contests any penalties or fines, late fees, lien filing fees, or other charges in an assessment, the unit owner may, under certain circumstances, then proceed to mediation prior to paying those charges.

Your Committee further finds that under existing law, if an association of apartment owners starts a nonjudicial foreclosure against a condominium owner and the owner pays off the delinquency or proposes a payment plan that the association accepts, the association must rescind the notice of foreclosure and not proceed. However, proposing a payment plan is not sufficient on its own to cure a default. Therefore, the language in S.B. No. 2054 is preferable, as it clarifies the process once a condominium owner and association agree on a payment plan to resolve a nonjudicial foreclosure on a condominium.

Accordingly, your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 2054, a measure which:

- (1) Clarifies the process, including payment obligations, mediation requirements, and triggers for further default, where a condominium owner and association reach a payment plan to resolve a nonjudicial foreclosure;
- (2) Establishes procedures that provide condominium owners with the right to submit disputed legal fees, penalties or fines, late fees, lien filing fees, or other charges, except for common expense assessments, to the mediation process prior to payment; and
- (3) Inserts an effective date of July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1873, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1873, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Tokuda).

SCRep. 3426 Labor on H.B. No. 2377

The purpose and intent of this measure is to:

- (1) Establish training options as part of vocational rehabilitation for injured employees when training for employment in another occupational field is required for the employee and as part of the employee's rehabilitation plan; and
- (2) Provide that all professional and clerical employees of the Department of Labor and Industrial Relations Rehabilitation Unit are to be administered by the Director of Labor and Industrial Relations.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, City and County of Honolulu Department of Human Resources, and ILWU Local 142.

Your Committee finds that one of the Hawaii Workers' Compensation Law's primary purposes for vocational rehabilitation is to "return the injured worker to suitable gainful employment in the active labor force as quickly as possible in a cost-effective manner." Injured employees who are no longer able to return to the employment during which the injury occurred may need additional vocational rehabilitation services to return to the workforce under different employment. This measure focuses vocational rehabilitation services on returning the injured worker back to suitable gainful employment by prioritizing the minimum amount of training required for the injured employee's employment goal, particularly on-the-job-training, which often results in employment with the employer who provides the training.

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

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2377, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2377, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3427 (Majority) Labor on H.B. No. 2602

The purpose and intent of this measure is to provide three categories and twelve factors for the Department of Labor and Industrial Relations to apply to determine independent contractor status

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii; Maui Chamber of Commerce; Tropical Maui Weddings; Construction Industry of Maui; Esign and Design; Envisions Entertainments & Productions, Inc.; Maui Pops Orchestra; and six individuals. Your Committee received testimony in opposition to this measure from the Department of Labor and Industrial Relations; Hawaii State AFL-CIO; Labor Caucus of the Democratic Party of Hawaii; SAG-AFTRA Hawaii Local; I.A.T.S.E. Local 665; American Federation of Musicians' Local 677; Hawaii Teamsters and Allied Workers Local 996; Hawaii Regional Council of Carpenters; and one individual.

Your Committee finds that independent contractors are an important part of Hawaii's business community and economy. Your Committee also finds that the existing Hawaii employment security law has been broadly interpreted when determining who qualifies as an independent contractor versus who is an employee of an employer. This measure seeks to provide greater clarity to those individuals choosing to become entrepreneurs and operate as independent contractors by setting forth in greater detail the criteria used to determine independent contractor status.

Your Committee acknowledges that proper determination of independent contractor status has been an ongoing issue and, as this measure moves forward, urges the Department of Labor and Industrial Relations to identify other state laws that may serve as models in amending this measure in a manner that will preserve compliance with federal law and the status of the state unemployment insurance program while protecting tax statuses and credits of employers.

Your Committee has amended this measure by inserting an effective date of January 1, 3000, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2602, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2602, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Ihara). Noes, 2 (Chang, Taniguchi). Excused, none.

SCRep. 3428 Commerce, Consumer Protection, and Health on H.B. No. 1621

The purpose and intent of this measure is to prohibit a merchant from adopting a warranty policy that requires a customer to pay an additional fee to obtain a repair, replacement, or refund for goods returned pursuant to the warranty.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs. Your Committee received testimony in opposition to this measure from the Retail Merchants of Hawaii.

Your Committee finds that many merchants have return policies that impose processing or administrative fees on consumers to effectuate a warranty claim on damaged or defective goods. Your Committee further finds that a consumer who purchases a damaged or defective product should be able to return it for repair, replacement, or refund without having to bear additional costs. This measure therefore prevents a merchant from adopting a warranty policy that requires a customer to pay an additional fee to obtain a repair, replacement, or refund on returned goods. However, your Committee notes that because warranty policies are different than return policies, a clarifying amendment to this measure is needed.

Your Committee additionally finds that consumers are often confused or misled by offers a franchise makes in national advertising campaigns. Furthermore, while an advertisement may state that an offer is not available in Hawaii, this disclosure is often in tiny print and does not sufficiently inform consumers that the offer is unavailable. Amendments to this measure are therefore necessary to ensure that consumers are sufficiently aware when an offer under a franchise's advertising campaign is not available in Hawaii.

Your Committee has amended this measure by:

- (1) Clarifying that a merchant is prohibited from charging a purchaser any fee, including a processing fee or an administrative fee, to repair, replace, or refund damaged or defective goods;
- (2) Requiring franchisees to disclose their non-participation in advertising campaigns of the franchise in which discounts or promotions are offered;
- (3) Specifying that franchisors are prohibited from limiting or restricting the disclosures related to non-participation in an advertising campaign; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1621, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1621, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 3429 Commerce, Consumer Protection, and Health on H.B. No. 2578

The purpose and intent of this measure is to:

- (1) Establish biennial requirements of forty credit hours in specified continuing medical education programs for renewal of a physician assistant license; and
- (2) Authorize the Hawaii Medical Board to conduct random document audits to enforce compliance with the continuing medical education requirements.

Your Committee received testimony in support of this measure from the Hawaii Medical Board, Hawaii Academy of Physician Assistants, American Academy of Physician Assistants, and eighteen individuals.

Your Committee finds that under the Hawaii Medical Board's existing administrative rules, physician assistants must maintain certification by the National Commission on Certification of Physician Assistants to be eligible for licensure renewal. However, this requirement is no longer standard amongst regulatory boards that certify or license physician assistants. Your Committee further finds that while many physician assistants choose to maintain their National Commission on Certification of Physician Assistants certification, Hawaii is one of only seventeen states that tie physician assistant license renewal to the passage of a recertification examination.

Your Committee notes that in the majority of states and the District of Columbia, physician assistants must instead complete a specified amount of continuing medical education, while decisions related to recertification are made at the practice level. This measure therefore brings the license renewal requirements of physician assistants into parity with those of Hawaii-licensed physicians and requires physician assistants to submit proof of forty hours of specified continuing medical education as a condition of their biennial renewal.

Your Committee has amended this measure by:

- (1) Clarifying that the continuing education compliance requirements shall begin with the renewal for the physician assistant licensing biennium commencing February 1, 2020, and every biennial licensing renewal thereafter;
- (2) Clarifying that the continuing education requirements for physician assistants can be met via a Category 1 continuing medical education program accredited by the American Academy of Physician Assistants;
- (3) Changing its effective date to upon approval; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2578, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2578, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Tokuda).

SCRep. 3430 Commerce, Consumer Protection, and Health on H.B. No. 2208

The purpose and intent of this measure is to:

- (1) Require association health plan policies to comply with the laws of the State regardless of the association's domicile; and
- (2) Enable certain voluntary associations, including employer associations that issue association health plans, to qualify for authorization to transact insurance in the State.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Planned Parenthood Votes Northwest and Hawaii, Hawaii Medical Service Association, and Kaiser Permanente Hawai'i.

Your Committee finds that for some small employers, health insurance for employees may be purchased through an association or group of multiple small employers in an arrangement known as an association health plan. Your Committee further finds that the federal Department of Labor recently issued a proposed rule that would expand access to association health plans.

However, there are significant concerns that insurance policies sold through these types of association health plans would be subject to far fewer standards than current small group market plans. Your Committee additionally finds that under the proposed rule, association health plans would not be subject to state patient protections, including laws that provide access to emergency care, access to specialists, mandatory grievance procedures, and internal and external reviews of denied medical claims. Association health plans would also be exempt from state solvency requirements, which would put consumers at serious risk of incurring medical claims that cannot be paid by their association health plan. This measure therefore requires every association health plan issued in the State to comply with Hawaii law, regardless of the domicile of the association that has issued the policy.

Your Committee has amended this measure by:

- (1) Clarifying that the definition of "association health plan policy" means a policy sponsored by a sponsoring association, rather than issued by a voluntary sponsoring association of employers;
- (2) Inserting a definition of "sponsoring association";
- (3) Changing its effective date to July 1, 2018, and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2208, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2208, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 3431 Commerce, Consumer Protection, and Health on H.B. No. 1602

The purpose and intent of this measure is to authorize a dispenser of opioid drugs to warn of the risks of addiction and death by displaying a warning label on the drug's package.

Your Committee received testimony in support of this measure from the Department of Public Safety, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawai'i Chapter of the American Physical Therapy Association, Walgreen Co., and Hawai'i Substance Abuse Coalition. Your Committee received comments on this measure from the Department of Health and Board of Pharmacy.

Your Committee finds that although opioid pain relievers are generally safe when taken for a short time as prescribed by a physician, they produce euphoria in addition to pain relief, and therefore are prone to misuse. Your Committee further finds that the Centers for Disease Control and Prevention formally declared an opioid epidemic in 2011, with more than 2,500,000 Americans diagnosed with an opioid-use disorder. Your Committee finds that this measure will address this epidemic by allowing health care professionals and pharmacists to include a warning label when dispensing any opioid drug.

Your Committee has heard concerns of the Board of Pharmacy, Walgreen Co., and Hawaii Substance Abuse Coalition that the proposed warning may be too large to fit on a prescription bottle. Your Committee finds that an alternate warning proposed by the Board of Pharmacy will address these concerns while still promoting the purposes of this measure.

However, your Committee also finds that stronger safeguards are needed. Your Committee finds that requiring the inclusion of a warning label is more appropriate than leaving the inclusion to the discretion of the health care professional or pharmacist. Your Committee also notes that in many cases, a patient is required to sign to pick up the patient's prescription. Your Committee finds that requiring the patient and health care professional or pharmacist to sign an appropriate acknowledgment prior to dispensing the opioid drug would further promote the purposes of this measure, and the Board of Pharmacy has provided suitable language for such an acknowledgment.

Accordingly, your Committee has amended this measure by:

- (1) Amending the proposed warning to read, "Caution: OPIOID. Risk of overdose and addiction.";
- (2) Requiring, rather than authorizing, the inclusion of the proposed warning on the drug's package;
- (3) Requiring health care professionals and pharmacists to also provide a written acknowledgment signed by the health care professional or pharmacist, and the patient or person receiving the opioid drug for the patient, prior to dispensing of the opioid drug; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1602, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1602, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 3432 (Joint) Housing and Judiciary on H.B. No. 2359

The purpose and intent of this measure is to:

- (1) Prohibit public access to areas within a housing project under the jurisdiction of the Hawaii Public Housing Authority where signs are displayed that require specific compliance; and
- (2) Amend the offense of criminal trespass in the second degree to clarify the circumstances under which a person commits the offense by entering or remaining unlawfully in or upon any area of a housing project that is closed to the public.

Your Committees received testimony in support of this measure from the Hawaii Public Housing Authority and Police Department of the City and County of Honolulu.

Your Committees find that one of the greatest concerns and priorities of the Hawaii Public Housing Authority is the safety and well-being of its tenants and staff. However, there have been a number of incidents occurring on housing project properties due to the presence of uninvited individuals, including unauthorized individuals entering onto public housing property and setting up tents in the middle of the property or causing property damage, or evicted tenants returning to the property to harass or intimidate their former neighbors. These acts create conflict among the tenants as well as staff. Accordingly, this measure provides the Hawaii Public Housing Authority with a tool to address and resolve these matters.

Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Housing and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2359, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2359, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.
Housing: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Kahele).
Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3433 Ways and Means on H.B. No. 1652

The purpose and intent of this measure is to abolish funds as recommended by the Auditor in Auditor's Report No. 17-10.

Specifically, this measure abolishes the:

- (1) Est/adm license and permit tobacco and cigarette special fund;
- (2) IRS refund intercept trust account;
- (3) Special enforcement section collections trust account; and
- (4) Taxes payable to counties - fuel trust accounts,

and transfers the unencumbered balances to the general fund.

Your Committee received testimony in support of this measure from the Department of Taxation.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the funds in this measure recommended for closure by the Auditor should be abolished. Your Committee further finds that establishing end-of-year carryover balances for various non-general funds will prevent the excess accumulation of moneys in those funds.

Your Committee has amended this measure by:

- (1) Abolishing the premium taxes paid pending appeal trust account;
- (2) Abolishing the premium supplementation trust fund;
- (3) Establishing end-of-fiscal year carryover balances in the amounts of:

- (A) \$200,000 for the reduced ignition propensity cigarette program special fund;
- (B) \$3,000,000 for the special unemployment insurance administration fund;
- (C) \$1,000,000 for the trust fund for disability benefits;
- (D) \$500,000 for the commissioner's education and training fund;
- (E) \$0 for the special drivers education fund account;
- (F) \$3,000,000 for the captive insurance administrative fund;
- (G) \$500,000 for the contractors recovery fund;
- (H) \$100,000 for the contractors education fund;
- (I) \$1,000,000 for the mortgage loan recovery fund;
- (J) \$500,000 for the real estate recovery fund;
- (K) \$1,000,000 for the real estate education fund;
- (L) \$25,000 for the trust fund for the purpose of administering fees and costs associated with the state certified arbitration program;
- (M) \$1,000,000 for the condominium education trust fund; and
- (N) \$25,000 for the mortgage foreclosure dispute resolution special fund;

and requiring, on June 30 of each fiscal year, that moneys in those funds in excess of the established amounts shall lapse to the credit of the general fund; and

- (3) Increasing the deduction for central services expenses from five percent to seven percent.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1652, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1652, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Keith-Agaran, Shimabukuro).

SCRep. 3434 Judiciary on H.B. No. 2375

The purpose and intent of this measure is to make housekeeping amendments to update statutory provisions relating to temporary disability insurance. Specifically, this measure:

- (1) Permits advanced practice registered nurses to certify an employee's disability;
- (2) Increases the penalty for employers who fail to submit timely wage and employment information;
- (3) Permits filing of an appeal of a decision on temporary disability insurance at the various statewide offices of the Department of Labor and Industrial Relations (Department);
- (4) Allows the Department to send notices of hearings electronically or via first-class mail;
- (5) Permits notice of a hearing to be posted on the Department's webpage when notice cannot be delivered; and
- (6) Allows parties to a hearing to appear in person, by telephone, or by other communication device.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations and International Longshore and Warehouse Union, Local 142.

Your Committee finds that this housekeeping measure will update current processes and improve the efficiency of the temporary disability insurance program. This measure will give employees additional provider choices, especially those residing in rural areas, without sacrificing quality of care, further incentivize compliance with the temporary disability insurance provisions already provided for in law, provide for appeals of temporary disability insurance decisions at a greater variety of more convenient locations, make distribution of hearing notices more efficient, and provide more options for parties to appear at a hearing in cases in which travel to the site of the hearing could be difficult or impracticable.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2375, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3435 Judiciary on H.B. No. 1650

The purpose and intent of this measure is to:

- (1) Authorize the disclosure of the disposition of an alleged child abuse or neglect investigation in a licensed group child care home or group child care center to:

- (A) Any parent or guardian of a child enrolled in the same group child care home or group child care center in which the alleged abuse or neglect took place; or
- (B) Any parent or guardian who has submitted an application to the group child care home or group child care center in which the alleged abuse or neglect took place; and
- (2) Establish a temporary working group to review laws, rules, and procedures relating to the coordination of investigations and enforcement efforts of the Child Welfare Services Branch and Child Care Licensing Program to improve safety in child care settings.

Your Committee received testimony in support of this measure from the Hawai'i State Commission on the Status of Women, The Queen's Health Systems, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and fourteen individuals. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that Hawaii is experiencing a shortage in child care facilities, with only enough childcare seats regulated by the Department of Human Services to serve approximately twenty-four percent of children needing care in the State. Despite this shortage, many working families rely on child care facilities to ensure that their children are safe and protected. This measure will provide parents and guardians of children in child care facilities with the assurance that their child is in a safe environment and timely notice if the child care facility at which their children are enrolled or which they may be considering is the subject of an investigation. Your Committee notes, however, that Department of Human Services, Department of the Attorney General, and advocates are still working on possible further amendments to this measure with respect to the degree of disclosure, need for provider consent, and other issues.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1650, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3436 Ways and Means on H.B. No. 1802

The purpose and intent of this measure is to encourage the upgrade of cesspools in the State by repealing the provision of the cesspool upgrade, conversion, or connecting income tax credit that restricts the Department of Health from certifying more than two residential large capacity cesspools as qualified cesspools.

Your Committee received written comments in support of this measure from the Department of Health and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that allowing the Department of Health to certify additional residential large capacity cesspools as qualified cesspools will increase the total number of cesspools upgraded in the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1802, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3437 Ways and Means on H.B. No. 2493

The purpose and intent of this measure is to remove the statutory cap on the number of exempt epidemiologist positions that the Department of Health may establish.

Your Committee received written comments in support of this measure from the Department of Health, Hawaii Public Health Institute, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that by providing the Department of Health with increased flexibility in establishing epidemiologist positions, the Department will be able to more effectively track and characterize emergent disease outbreaks that threaten public health in Hawaii.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2493, H.D. 2, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3438 (Joint) Judiciary and Ways and Means on H.B. No. 1883

The purpose and intent of this measure is to establish and appropriate funds for a two-year agricultural theft and vandalism pilot project to examine the effectiveness of prosecuting agricultural theft and vandalism cases, including theft and vandalism affecting individuals who produce agricultural products for personal or small-scale commercial use on any land, in the County of Hawaii.

Your Committees received testimony in support of this measure from the Department of Agriculture, Office of the Prosecuting Attorney of the County of Hawai'i, Hawai'i Farm Bureau, Land Use Research Foundation of Hawaii, Ulupono Initiative, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that agricultural theft and vandalism are a constant worry for farmers and ranchers. Because farming and ranching activities are spread over a considerable amount of land, it is difficult for farmers, ranchers, and law enforcement to regulate

access to agricultural land or enforce laws and exclusive rights on that property, especially at night after work hours. Individuals who are not full-time farmers or ranchers but who grow food or other agricultural products for their own use or for small-scale sale are also frequently at risk during work hours when they are unable to be present at their home or garden. These difficulties put farmers, ranchers, and many other individuals at risk for acts of agricultural theft and vandalism. This measure will establish a two-year pilot project to examine the effectiveness of prosecuting agricultural theft and vandalism cases in order to gain a better understanding of the steps that can be taken to better protect farmers, ranchers, and individuals who maintain small-scale gardens and other agricultural activities.

Your Committees additionally find that further developing agricultural products in Hawaii is beneficial to improving the food self-sufficiency of the State. Increasing the ability of Hawaiian produce to enter markets outside the State will also improve local economies. Local papaya, particularly, has a flavor and texture that is highly desired, but a shelf life that is too short to export in high quantities. Many of the factors that contribute to the short shelf-life of local papaya, such as transportation of the product; treatment for fruit fly control; and handling, shipping, and storage of the product prior to distribution, could potentially be improved to increase the viability of local papaya in export markets.

Accordingly, your Committees have amended this measure by:

- (1) Inserting legislative findings relating to the quality of locally-grown papayas;
- (2) Inserting an appropriation for a blank amount to the Agribusiness Development Corporation to identify factors that affect the quality of local papayas and to develop and establish protocols to enhance the marketability of Hawaiian papayas; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1883, H.D. 2, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 1883, H.D. 2, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

Ways and Means: Ayes, 7. Noes, none. Excused, 4 (Harimoto, Kahele, Kidani, Riviere).

SCRep. 3439 (Joint) Judiciary and Ways and Means on H.B. No. 2014

The purpose and intent of this measure is to:

- (1) Establish and appropriate funds for the Puuhonua Homeless Villages program to provide housing and support services to homeless individuals under a housing first paradigm;
- (2) Require the Governor to identify available state land for homeless villages;
- (3) Require the Department of Human Services, in conjunction with the Governor, to hold a public meeting prior to the establishment of a homeless village; and
- (4) Require the Department of Human Services, in conjunction with the Governor, to report to the Legislature.

Your Committees received testimony in support of this measure from the Office of the Mayor of the County of Hawai'i; IMUAlliance; Hawai'i Kai Homeless Task Force; Kona Brewing Company; and Foo W. Lim and Sons, Inc. Your Committees received comments on this measure from the Department of Land and Natural Resources, Department of Human Services, Department of Public Safety, Governor's Coordinator on Homelessness, and Catholic Charities Hawai'i.

Your Committees find that homelessness is a serious and chronic problem throughout the State. The State has used homeless shelters and transitional group homes as interim measures while attempting to place individuals and families experiencing homelessness into subsidized rentals and traditionally constructed apartments, but numerous economic, logistical, and personal constraints have resulted in a supply of subsidized rentals and traditionally-constructed apartments that is insufficient to meet the needs of homeless individuals. Your Committees further find that recent technological innovations have made it possible to construct housing units at a lower cost than what the State currently spends for unsheltered and nomadic homeless individuals and families.

Your Committees have amended this measure by:

- (1) Requiring that at least fifty percent of the manufacturing labor costs of each home in a homeless village be expended in Hawaii; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2014, H.D. 2, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 2014, H.D. 2, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

Ways and Means: Ayes, 9. Noes, none. Excused, 2 (Harimoto, Riviere).

SCRep. 3440 (Joint) Judiciary and Ways and Means on H.B. No. 2071

The purpose and intent of this measure is to:

- (1) Establish a law enforcement standards board for the certification of county police officers, state public safety officers, and employees of the Departments of Transportation, Land and Natural Resources, Taxation, and the Attorney General with police powers;
- (2) Prohibit employment of non-certified law enforcement officers beginning on July 1, 2019;
- (3) Establish the law enforcement standards board special fund; and
- (4) Appropriate funds to defray the expenses of the Board.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Public Safety, Department of Transportation, Young Progressives Demanding Action, and two individuals. Your Committees received comments on this measure from the Department of the Attorney General and Department of Budget and Finance.

Your Committees find that consistency in recruitment and training are key for state and county law enforcement agencies. Despite this, Hawaii is the only state in the country without any state-level regulation of law enforcement officers, as regulation is left to the counties. The State also does not have minimum standards required for certifying a law enforcement officer and has no procedure for revocation of an officer's certification for serious misconduct. Your Committees find that the establishment of consistent, statewide standards for the recruitment, training, and certification of law enforcement officers, as well as a prohibition against law enforcement officers who are terminated for misconduct from being hired by another state or county law enforcement agency as a law enforcement officer, will benefit public health, safety, and welfare.

Your Committees have received testimony from the Department of the Attorney General expressing concern that the unpaid law enforcement standards board as it is described in this measure may not be sufficient to adequately establish sufficient statewide standards for law enforcement officers. The establishment of such standards will likely require additional action by the Legislature, and could necessitate the creation of additional offices or agencies, such as a state law enforcement training academy. The issues of law enforcement standards and certification require further study and evaluation to create a comprehensive and long-term solution.

Your Committees note that S.B. No. 2427, S.D. 2, H.D. 1 (Regular Session of 2018), a version of which was previously passed by the Senate, is a substantially similar measure that establishes a law enforcement working group to recommend certification and de-certification requirements for law enforcement officers and prohibits law enforcement officers who are terminated for misconduct from being hired as law enforcement officers by another state or county department, agency, or office. Your Committees conclude that the language in S.B. No. 2427, S.D. 2, H.D. 1, is preferable because it establishes a working group consisting of representatives of state and county law enforcement, human resources development, and the community, that can evaluate the issues of standards and certification and make recommendations to the Legislature without permanently establishing a permanent board that may be insufficient to comprehensively address such issues on its own.

Accordingly, your Committees have amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2427, S.D. 2, H.D. 1, a substantially similar measure, which:
 - (A) Establishes a temporary law enforcement working group to recommend certification and de-certification requirements for state and county law enforcement officers who carry firearms and badges and have arrest authority;
 - (B) Prohibits law enforcement officers who are terminated for misconduct by a state or county department, agency, or office in a law enforcement capacity from being hired by another state or county law enforcement department, agency, or office unless the officer is reinstated through collective bargaining or the legal process; and
 - (C) Inserts an effective date of January 1, 2050; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2071, H.D. 2, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 2071, H.D. 2, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

Ways and Means: Ayes, 9. Noes, none. Excused, 2 (Harimoto, Riviere).

SCRep. 3441 Judiciary on H.B. No. 1812

The purpose and intent of this measure is to:

- (1) Authorize a health care surrogate to act as a Medicaid authorized representative to assist a patient with a Medicaid application and eligibility process and in communications with the Department of Human Services; and
- (2) Specify the duties and obligations of the surrogate.

Your Committee received testimony in support of this measure from the Department of Human Services, Healthcare Association of Hawaii, Kaiser Permanente Hawai'i, The Queen's Health Systems, Aloha Nursing Rehab Center, One Kalakaua Senior Living, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that, in 2017, the Department of Human Services implemented new procedures to allow an appointed surrogate to act as a patient's authorized representative to make health care decisions relate to Medicaid, including the decision to apply for Medicaid benefits. The Department later suspended those procedures following a determination that there were other specific issues relating to state and federal surrogacy laws that needed to be addressed and clarified in order for a surrogate to act as a Medicaid authorized representative. This measure will explicitly allow a surrogate to act as a Medicaid authorized representative and ensure that a surrogate acting in such a role agrees to the federal and state laws regarding authorized representatives.

Your Committee has amended this measure by:

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

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1812, H.D. 3, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1812, H.D. 3, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3442 Labor on S.C.R. No. 154

The purpose and intent of this measure is to urge Hawaii's congressional delegation to oppose any proposed federal right-to-work legislation.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which deletes the contents of this measure and replaces it with language requesting the Department of Labor and Industrial Relations to convene a workplace safety working group.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Labor and Industrial Relations, Hawaii State AFL-CIO, Chamber of Commerce Hawaii, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that recent statistics of incidents of workplace violence are of great concern, particularly those involving intimate partners. Your Committee finds that workplace safety must be a priority to prevent Hawaii's workers from being victimized by incidents of harassment, assault, intimidation, and violence in the workplace. Furthermore, your Committee is glad to see that all stakeholders are willing to work together to improve workplace safety in Hawaii.

Your Committee has amended this measure by adopting the proposed S.D. 1.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 154, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 154, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 3443 (Joint) Commerce, Consumer Protection, and Health and Transportation and Energy on S.C.R. No. 184

The purpose and intent of this measure is to request the Legislative Reference Bureau to study the adequacy of insurance coverage requirements for transportation network companies and transportation network company drivers.

Your Committees received testimony in support of this measure from the Hawaii Transportation Association, Charley's Taxi, and one individual. Your Committees received comments on this measure from the Legislative Reference Bureau.

Your Committees find that Act 236, Session Laws of Hawaii 2016 (Act 236), was intended to close the insurance gaps associated with transportation network companies by establishing motor vehicle insurance requirements for transportation network companies and transportation network company drivers. Although Act 236 requires the Insurance Commissioner to conduct an annual study and report to the Legislature regarding the Act's impact on personal motor vehicle insurance rates in the State, Act 236 does not require the Insurance Commissioner to study whether the insurance coverage requirements for the personal vehicles of transportation network company drivers are adequate to cover claims by those parties who may suffer injury, death, or property damage as a result of motor vehicle accidents involving transportation network companies and transportation network company drivers. This measure therefore requests the Legislative Reference Bureau to conduct a study on the adequacy of insurance coverage requirements for transportation network companies and transportation network company drivers.

However, your Committees have heard concerns that the Legislative Reference Bureau does not retain subject matter experts in the field of motor vehicle or personal injury liability insurance and accordingly, may not be able to complete the study in the limited timeframe provided by this measure without receiving an appropriation and contracting out for the services of such experts. Your Committees understand these concerns and conclude that the Insurance Commissioner is the more appropriate party to conduct this study.

Accordingly, your Committees have amended this measure by:

- (1) Requesting the Insurance Commissioner, rather than the Legislative Reference Bureau, to conduct a study on the adequacy of insurance coverage requirements for transportation network companies and transportation network company drivers;
- (2) Amending its title; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Transportation and Energy that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 184, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 184, S.D. 1.

Signed by the Chairs on behalf of the Committees.
Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Nishihara, Tokuda).

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3444 (Joint) Commerce, Consumer Protection, and Health and Transportation and Energy on S.R. No. 134

The purpose and intent of this measure is to request the Legislative Reference Bureau to study the adequacy of insurance coverage requirements for transportation network companies and transportation network company drivers.

Your Committees received testimony in support of this measure from the Hawaii Transportation Association, Charley's Taxi, and two individuals.

Your Committees find that Act 236, Session Laws of Hawaii 2016 (Act 236), was intended to close the insurance gaps associated with transportation network companies by establishing motor vehicle insurance requirements for transportation network companies and transportation network company drivers. Although Act 236 requires the Insurance Commissioner to conduct an annual study and report to the Legislature regarding the Act's impact on personal motor vehicle insurance rates in the State, Act 236 does not require the Insurance Commissioner to study whether the insurance coverage requirements for the personal vehicles of transportation network company drivers are adequate to cover claims by those parties who may suffer injury, death, or property damage as a result of motor vehicle accidents involving transportation network companies and transportation network company drivers. This measure therefore requests the Legislative Reference Bureau to conduct a study on the adequacy of insurance coverage requirements for transportation network companies and transportation network company drivers.

However, your Committees have heard concerns that the Legislative Reference Bureau does not retain subject matter experts in the field of motor vehicle or personal injury liability insurance and accordingly, may not be able to complete the study in the limited timeframe provided by this measure without receiving an appropriation and contracting out for the services of such experts. Your Committees understand these concerns and conclude that the Insurance Commissioner is the more appropriate party to conduct this study.

Accordingly, your Committees have amended this measure by:

- (1) Requesting the Insurance Commissioner, rather than the Legislative Reference Bureau, to conduct a study on the adequacy of insurance coverage requirements for transportation network companies and transportation network company drivers;
- (2) Amending its title; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Transportation and Energy that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 134, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 134, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Nishihara, Tokuda).

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3445 (Joint) Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 141

The purpose and intent of this measure is to request the Department of Health to convene a regional cesspool modernization task force within each county of the State.

Your Committees received testimony in support of this measure from the City and County of Honolulu - Department of Environmental Services, Hawai'i Farm Bureau, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received comments on this measure from the Department of Health.

Your Committees find that this measure will help the State find the best approach to cesspool replacement in each county, rather than promoting a statewide, one-size-fits-all approach. Your Committees also find that this measure will help generate solutions to the cesspool modernization problem ahead of the State's 2050 deadline for all cesspools to be upgraded, converted, or connected.

Your Committees have heard the concerns of the Department of Health that the Department does not have the staff, financial resources, or local focus to best address the purposes of this measure. Your Committees note the Department's recommendations to allow the county district health officers to take control of this project and to empower the task forces to hire third-party consultants.

Your Committees have amended this measure by:

- (1) Requesting the respective county district health officers to convene and take part in the cesspool modernization task forces, rather than a representative of the Department of Health as appointed by the Director of Health;
- (2) Amending its title accordingly;
- (3) Requesting that each task force retain a third-party consultant to conduct a study on cesspool modernization; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 141, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 141, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Ihara, Tokuda).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Ihara, Thielen).

SCRep. 3446 (Joint) Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs on S.R. No. 91

The purpose and intent of this measure is to request the Department of Health to convene a regional cesspool modernization task force within each county of the State.

Your Committees received testimony in support of this measure from the Hawai'i Farm Bureau Federation, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and Go Maui, Inc. Your Committees received comments on this measure from the Department of Health.

Your Committees find that this measure will help the State find the best approach to cesspool replacement in each county, rather than promoting a statewide, one-size-fits-all approach. Your Committees also find that this measure will help generate solutions to the cesspool modernization problem ahead of the State's 2050 deadline for all cesspools to be upgraded, converted, or connected.

Your Committees have heard the concerns of the Department of Health that the Department does not have the staff, financial resources, or local focus to best address the purposes of this measure. Your Committees note the Department's recommendations to allow the county district health officers to take control of this project and to empower the task forces to hire third-party consultants.

Your Committees have amended this measure by:

- (1) Requesting the respective county district health officers to convene and take part in the cesspool modernization task forces, rather than a representative of the Department of Health as appointed by the Director of Health;
- (2) Amending its title accordingly;
- (3) Requesting that each task force retain a third-party consultant to conduct a study on cesspool modernization; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 91, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 91, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Ihara, Tokuda).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Ihara, Thielen).

SCRep. 3447 Water and Land on S.C.R. No. 181

The purpose and intent of this measure is to request the Chairperson of the Board of Land and Natural Resources to rename the Mauna Kea Recreation Area as the Gilbert Kahele Recreation Area.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and four individuals.

Your Committee finds that for twenty-five years, Gilbert Kahele worked at Pōhakuloa Training Area and spent countless days at the then named Mauna Kea State Recreation Area advocating for its maintenance, repair, and upkeep. Through the years, due to lack of adequate funding and neglect, the Mauna Kea State Recreation Area fell into a state of disrepair, as the cabins were closed, bathrooms became inoperable, and the United States of America and State of Hawai'i flags stopped flying. In 2011, working collaboratively with former Governor Neil Abercrombie, former State Senator Malama Solomon, and former Hawai'i County Mayor William Kenoi, Senator Gilbert Kahele championed the effort to transfer management and maintenance of Mauna Kea State Recreation Area to the County of Hawai'i. Now known as the Mauna Kea Recreation Area, Senator Kahele always envisioned that the area would be a special place in the center, or "piko", of the island where families could gather, children could play, people could meet to conduct business, and visitors could experience the serenity and beauty of Mauna Kea. This measure reflects Senator Kahele's long standing relationship, service, and deep interest within the Mauna Kea Recreation Area by renaming this area in his name.

Your Committee notes that the formal transfer of title to the County of Hawai'i has not been completed, and the Mauna Kea Recreation Area is currently managed by the County via an agreement with the Department of Land and Natural Resources. Accordingly, your Committee urges the County of Hawai'i to work with the Department to design and install all appropriate signage and information to honor the late Senator Kahele pursuant to this measure.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 181 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3448 Water and Land on S.R. No. 107

The purpose and intent of this measure is to request the Chairperson of the Board of Land and Natural Resources to rename the Mauna Kea Recreation Area as the Gilbert Kahele Recreation Area.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and four individuals.

Your Committee finds that for twenty-five years, Gilbert Kahele worked at Pōhakuloa Training Area and spent countless days at the then named Mauna Kea State Recreation Area advocating for its maintenance, repair, and upkeep. Through the years, due to lack of adequate funding and neglect, the Mauna Kea State Recreation Area fell into a state of disrepair, as the cabins were closed, bathrooms became inoperable, and the United States of America and State of Hawai'i flags stopped flying. In 2011, working collaboratively with

former Governor Neil Abercrombie, former State Senator Malama Solomon, and former Hawai'i County Mayor William Kenoi, Senator Gilbert Kahele championed the effort to transfer management and maintenance of Mauna Kea State Recreation Area to the County of Hawai'i. Now known as the Mauna Kea Recreation Area, Senator Kahele always envisioned that the area would be a special place in the center, or "piko", of the island where families could gather, children could play, people could meet to conduct business, and visitors could experience the serenity and beauty of Mauna Kea. This measure reflects Senator Kahele's long standing relationship, service, and deep interest within the Mauna Kea Recreation Area by renaming this area in his name.

Your Committee notes that the formal transfer of title to the County of Hawai'i has not been completed, and the Mauna Kea Recreation Area is currently managed by the County via an agreement with the Department of Land and Natural Resources. Accordingly, your Committee urges the County of Hawai'i to work with the Department to design and install all appropriate signage and information to honor the late Senator Kahele pursuant to this measure.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 107 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3449 (Joint) Government Operations and Ways and Means on S.C.R. No. 62

The purpose and intent of this measure is to:

- (1) Request the Auditor, in collaboration with the State Procurement Office, if necessary, to conduct a financial and management audit of the tax system modernization project of the Department of Taxation; and
- (2) Request the Auditor to submit a report of findings and recommendations of the audit to the Legislature no later than twenty days prior to the convening of the Regular Session of 2019.

Your Committees received testimony in support of this measure from one individual. Your Committees received comments on this measure from the Department of Taxation and Office of the Auditor.

Your Committees find that credible, independent oversight of certain government functions is crucial for maintaining public trust and ensuring efficient and effective government. Your Committees find that in 2015, the Department of Taxation initiated a \$60,000,000 tax system modernization project to upgrade and replace the entire technical system used by the Department to be fully completed by 2020. Your Committees further find that in 2016, the State entered into a contract with a private organization, AdvanTech, LLC (AdvanTech), to oversee the project as an independent verification and validation consultant to ensure that the tax system modernization project progressed as planned and that the systems worked as promised by the contractors. However, your Committees also find that according to a report from AdvanTech, a Department of Taxation official had requested changes be made to the report prior to full disclosure to the public diminishing the credibility of the report and leading to a termination of the contract between the State and AdvanTech.

Moreover, your Committees have significant concerns about personnel changes and decision-making in the Department of Taxation. In particular, your Committees are concerned about the Department's continued hiring of project managers for information technology projects who lack the necessary background and expertise to hold such a position. In addition, your Committees have concerns about the unexplained shifting of project management office personnel back and forth between the Department of Taxation and the Office of Enterprise Technology Services. Accordingly, your Committees find that a proper audit of the current tax system modification project should be conducted.

Your Committees have amended this measure by:

- (1) Inserting additional findings relating to personnel matters at the Department of Taxation, including the hiring of the current project manager for the tax system modification project and the shifting of project management office personnel between the Department of Taxation and the Office of Enterprise Technology Services; and
- (2) Requesting the Auditor to investigate any contractual or liability concerns stemming from the contracted vendor, AdvanTech, being asked to alter an independent, contractually-mandated report by state personnel, including which parties, if any, may be held responsible for violating the agreement and any other possible outcomes.

As affirmed by the records of votes of the members of your Committees on Government Operations and Ways and Means that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 62, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 62, S.D. 1.

Signed by the Chairs on behalf of the Committees.
Government Operations: Ayes, 5. Noes, none. Excused, none.
Ways and Means: Ayes, 8. Noes, none. Excused, 3 (Harimoto, Kahele, Shimabukuro).

SCRep. 3450 Commerce, Consumer Protection, and Health on S.C.R. No. 183

The purpose and intent of this measure is to urge various government entities to develop, update, and introduce policies related to helicopter air tours at the state and national level.

Your Committee received testimony in support of this measure from the County of Hawai'i, Office of the Mayor; Hawaii Island Coalition Malama Pono; one individual; and a petition with one hundred ninety names.

Your Committee finds that Hawai'i Volcanoes National Park, on the island of Hawai'i, is managed by the Director of the National Park Service, which is a bureau of the United States Department of the Interior, and has more non-essential tour helicopter overflights than any other individual park in the nation. Your Committee further finds that in recent years, helicopter noise as a result of commercial air tour flights over residential areas in the east Hawai'i region of the island of Hawai'i has reached an unprecedented

level. Residents in Hāmākua, Hilo, Mountain View, Puna, Volcano, and Ka'ū have continued to raise issues of overflights, noise complaints, and safety with the state Department of Transportation, Honolulu Flight Standards District Office of the Federal Aviation Administration, and air tour helicopter operators.

Your Committee additionally finds that it has been fourteen years since the Federal Aviation Administration and National Park Service initially asked for comments on an Air Tour Management Plan Environmental Assessment and seven years since a preliminary draft Air Tour Management Plan for Hawai'i Volcanoes National Park was published. However, there is still no final Air Tour Management Plan for Hawai'i Volcanoes National Park and the only rules that govern helicopter and fixed wing air tours over the airspace of the Hawaiian islands are contained in the decade-old Hawai'i Air Tour Common Procedures Manual. This measure therefore urges various government entities to develop, update, and introduce policies related to helicopter air tours at the state and national level, including completing the Air Tour Management Plan for Hawai'i Volcanoes National Park, Haleakalā, and other designated national parks throughout the nation; updating the Hawai'i Air Tour Common Procedures Manual; and working with community stakeholders to address concerns related to noise complaints and safety issues.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 183 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3451 Commerce, Consumer Protection, and Health on S.R. No. 109

The purpose and intent of this measure is to urge various government entities to develop, update, and introduce policies related to helicopter air tours at the state and national level.

Your Committee received testimony in support of this measure from the County of Hawai'i, Office of the Mayor; Hawaii Island Coalition Malama Pono; one individual; and a petition with one hundred ninety names.

Your Committee finds that Hawai'i Volcanoes National Park, on the island of Hawai'i, is managed by the Director of the National Park Service, which is a bureau of the United States Department of the Interior, and has more non-essential tour helicopter overflights than any other individual park in the nation. Your Committee further finds that in recent years, helicopter noise as a result of commercial air tour flights over residential areas in the east Hawai'i region of the island of Hawai'i has reached an unprecedented level. Residents in Hāmākua, Hilo, Mountain View, Puna, Volcano, and Ka'ū have continued to raise issues of overflights, noise complaints, and safety with the state Department of Transportation, Honolulu Flight Standards District Office of the Federal Aviation Administration, and air tour helicopter operators.

Your Committee additionally finds that it has been fourteen years since the Federal Aviation Administration and National Park Service initially asked for comments on an Air Tour Management Plan Environmental Assessment and seven years since a preliminary draft Air Tour Management Plan for Hawai'i Volcanoes National Park was published. However, there is still no final Air Tour Management Plan for Hawai'i Volcanoes National Park and the only rules that govern helicopter and fixed wing air tours over the airspace of the Hawaiian islands are contained in the decade-old Hawai'i Air Tour Common Procedures Manual. This measure therefore urges various government entities to develop, update, and introduce policies related to helicopter air tours at the state and national level, including completing the Air Tour Management Plan for Hawai'i Volcanoes National Park, Haleakalā, and other designated national parks throughout the nation; updating the Hawai'i Air Tour Common Procedures Manual; and working with community stakeholders to address concerns related to noise complaints and safety issues.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 109 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3452 Commerce, Consumer Protection, and Health on S.C.R. No. 149

The purpose and intent of this measure is to request the Department of Labor and Industrial Relations and the University of Hawaii Center on Aging to convene a working group to review the provision of in-home care services in Hawaii, make recommendations that will improve the quality of care, and include its review and recommendations in a report to the Legislature.

Your Committee received testimony in support of this measure from the ILWU Local 142, AARP Hawai'i, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Caring Across Generations, Kupuna Caucus of the Democratic Party of Hawai'i, Hawai'i Advocates for Consumer Rights, Faith Action for Community Equity, and six individuals. Your Committee received comments on this measure from the Department of Labor and Industrial Relations and University of Hawai'i System.

Your Committee finds that by 2020, nearly three hundred thousand people in Hawaii will be age sixty-five or older. Your Committee also finds that most individuals who require assistance with daily activities prefer to receive care at home. Your Committee further finds that home care workers provide care for clients with highly complex needs which may require specialized training or certification to treat properly. Accordingly, your Committee finds that the State would benefit from a working group to review the provision of in-home care services in the State and make recommendations to improve the quality of care.

Your Committee has heard concerns of the Department of Labor and Industrial Relations that this measure does not fall within their purview, nor does the Department collect much of the information requested. However, your Committee finds that the Department does collect some relevant information and may have some relevant expertise and therefore should be represented in the working group. Your Committee further finds that the Executive Office on Aging is an appropriate agency to supply a representative to co-chair the requested working group.

Your Committee has amended this measure by:

- (1) Replacing as a co-chair of the working group the Department of Labor and Industrial Relations' representative with a representative of the Executive Office on Aging;
- (2) Requesting representatives of the Departments of Labor and Industrial Relations and Business, Economic Development, and Tourism to serve as members of the group;
- (3) Amending its title to reflect its amended purpose; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 149, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 149, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3453 Commerce, Consumer Protection, and Health on S.C.R. No. 117

The purpose and intent of this measure is to request the Department of Health to convene a task force to identify barriers and solutions to expanded water reuse in the State, and to request the task force to submit its findings and recommendations in a report to the Legislature.

Your Committee received testimony in support of this measure from the Department of Health, Ulupono Initiative, Hawai'i Community Foundation, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Wai Maoli Hawai'i Fresh Water Initiative, Board of Water Supply of the City and County of Honolulu, The Nature Conservancy of Hawai'i, and one individual.

Your Committee finds that decreasing rainfall, increasing evaporation from rising temperatures, and increasing demand from population growth combine to place pressure on the State's fresh water supply. Your Committee further finds that increasing the amount of water reuse in the State will alleviate pressure on the State's fresh water supply. Accordingly, your Committee finds that the State would benefit from a task force to identify barriers and solutions to expanded water reuse in the State.

Your Committee has amended this measure by:

- (1) Adding a representative from a public agency with permitting or implementation authority over wastewater to the membership of the task force; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 117, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 117, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3454 Commerce, Consumer Protection, and Health on S.R. No. 74

The purpose and intent of this measure is to request the Department of Health to convene a task force to identify barriers and solutions to expanded water reuse in the State, and to request the task force to submit its findings and recommendations in a report to the Legislature.

Your Committee received testimony in support of this measure from the Department of Health, Ulupono Initiative, Hawai'i Community Foundation, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Wai Maoli Hawai'i Fresh Water Initiative, Board of Water Supply of the City and County of Honolulu, The Nature Conservancy of Hawai'i, and one individual.

Your Committee finds that decreasing rainfall, increasing evaporation from rising temperatures, and increasing demand from population growth combine to place pressure on the State's fresh water supply. Your Committee further finds that increasing the amount of water reuse in the State will alleviate pressure on the State's fresh water supply. Accordingly, your Committee finds that the State would benefit from a task force to identify barriers and solutions to expanded water reuse in the State.

Your Committee has amended this measure by:

- (1) Adding a representative from a public agency with permitting or implementation authority over wastewater to the membership of the task force; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 74, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 74, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3455 Commerce, Consumer Protection, and Health on S.C.R. No. 89

The purpose and intent of this measure is to request the Department of Transportation to convene a working group to study the personal vehicle rental industry.

Your Committee received testimony in support of this measure from Enterprise Holdings. Your Committee received testimony in opposition to this measure from the Department of Transportation and Turo Inc.

Your Committee finds the evolution of the rental car industry has created new opportunities for innovative ways to rent a car. Recently, a new mode of car rental, known as peer-to-peer car sharing, has developed, wherein private individuals rent their personal vehicles to other individuals on a fee basis via a third party web-based platform. Your Committee further finds that there are no existing regulations specific to the peer-to-peer car sharing industry in Hawaii. Your Committee notes that the State has a vested interest in ensuring that consumers who participate in peer-to-peer car sharing via a third party web-based platform are protected and that vehicles available in peer-to-peer car sharing are being rented to qualified individuals, have adequate insurance coverage, and meet vehicle safety standards. This measure therefore requests the Department of Transportation to convene and chair a working group dedicated to studying this emerging industry.

Your Committee has amended this measure by:

- (1) Clarifying that the Director of Transportation is requested to convene a working group to evaluate the regulation of the peer-to-peer car sharing industry, rather than the personal vehicle rental industry, as this more accurately reflects the nomenclature associated with the industry;
- (2) Updating the findings associated with the peer-to-peer car sharing industry;
- (3) Amending the composition of the working group;
- (4) Updating its title; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 89, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 89, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3456 Commerce, Consumer Protection, and Health on S.R. No. 140

The purpose and intent of this measure is to request the Department of Transportation to convene a working group to study the personal vehicle rental industry.

Your Committee received testimony in opposition to this measure from Turo Inc.

Your Committee finds the evolution of the rental car industry has created new opportunities for innovative ways to rent a car. Recently, a new mode of car rental, known as peer-to-peer car sharing, has developed, wherein private individuals rent their personal vehicles to other individuals on a fee basis via a third party web-based platform. Your Committee further finds that there are no existing regulations specific to the peer-to-peer car sharing industry in Hawaii. Your Committee notes that the State has a vested interest in ensuring that consumers who participate in peer-to-peer car sharing via a third party web-based platform are protected and that vehicles available in peer-to-peer car sharing are being rented to qualified individuals, have adequate insurance coverage, and meet vehicle safety standards. This measure therefore requests the Department of Transportation to convene and chair a working group dedicated to studying this emerging industry.

Your Committee has amended this measure by:

- (1) Clarifying that the Director of Transportation is requested to convene a working group to evaluate the regulation of the peer-to-peer car sharing industry, rather than the personal vehicle rental industry, as this more accurately reflects the nomenclature associated with the industry;
- (2) Updating the findings associated with the peer-to-peer car sharing industry;
- (3) Amending the composition of the working group;
- (4) Updating its title; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 140, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 140, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3457 Commerce, Consumer Protection, and Health on S.C.R. No. 167

The purpose and intent of this measure is to request the Board of Agriculture to submit a report to the Legislature detailing a plan to improve the import permit process for all agricultural commodities.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that the Plant Quarantine Branch of the Department of Agriculture is tasked with preventing the introduction and spread of harmful pests and diseases into the State by regulating domestic import, performing border inspections, and facilitating post border detection and control of agricultural pests. The Plant Quarantine Branch also administers the import permit program to control the importation of plants, insects, microorganisms, and non-domestic animals. However, concerns have been raised about the Branch's existing administrative rules and import permit process. This measure therefore requests the Board of Agriculture to develop a plan to improve its import permit process for all agricultural commodities to ensure that the process reflects current industry conditions, needs, and best practices.

Your Committee has heard concerns from the Department of Agriculture that this measure requests the Board of Agriculture to implement risk-based assessments for all import categories, which may eliminate the specificity in the review process and could impose unnecessary restrictions on certain users. Your Committee understands these concerns and notes that a general review and update of the import permit process by the Board of Agriculture may be more appropriate.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that the Board of Agriculture is requested to review and update the import permit process for all agricultural commodities and submit a report to the Legislature, prior to the next legislative session, recommending any required legislative changes to the import permit process, rather than requesting the Board to submit a report to the Legislature that includes specific changes to the current import permit process;
- (2) Updating its title; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 167, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 167, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3458 Commerce, Consumer Protection, and Health on S.C.R. No. 143

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism and the Applied Research Laboratory at the University of Hawai'i to convene a working group to provide advice on the development and risks of unmanned aircraft systems usage and to inform policy decisions regarding unmanned aircraft systems.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Transportation; University of Hawai'i; and one individual.

Your Committee finds that unmanned aircraft systems have significant benefits in a variety of industries, such as public safety, health, conservation, education, and entertainment. Your Committee further finds that unmanned aircraft systems usage has the potential to expand growth for businesses, encourage youth to participate in science, technology, engineering, and mathematics education, and provide access to inaccessible or unchartered areas, among other practical applications. However, more research is needed to better understand the benefits and risks of using unmanned aircraft systems throughout the State. This measure therefore establishes a working group of well-qualified individuals who can provide the State with information on technological trends, operational solutions, and emergent national regulatory trends and legal evolution, which will be beneficial to future policy decisions regarding the uses of unmanned aircraft systems in Hawaii.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 143, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3459 Commerce, Consumer Protection, and Health on S.C.R. No. 135

The purpose and intent of this measure is to request the Board of Pharmacy to convene a working group to review the current scope of practice, licensing requirements, and continuing education requirements for pharmacists and consider whether the scope of practice and corresponding licensing requirements for pharmacists should be enhanced.

Your Committee received testimony in support of this measure from the Department of Health, Board of Pharmacy, University of Hawai'i at Hilo, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Walgreen Co., Hawaii Pharmacists Association, Hawaii Medical Service Association, and two individuals.

Your Committee finds that pharmacists are vital members of a primary health care team. Although traditionally, pharmacists' scope of practice included dispensing prescription medications, advancements in technology, increased pharmacy education, and legislatively-expanded scope of practice requirements have enabled pharmacists to have more direct access to patients. In addition to dispensing medications, pharmacists now provide immunizations, wellness screenings, routine laboratory tests, and routine drug therapy-related patient assessment procedures. Pharmacists are also often the last point of contact a patient has with a medical professional, especially for those patients with chronic conditions requiring complex medication therapies.

Your Committee further finds that pharmacists should be permitted to practice at the top of their training. Increased pharmacy services and accessibility have even greater potential to enhance delivery of public health services throughout the State. However, to ensure consumer safety and appropriate delivery of health care services, it is important for the Board of Pharmacy to convene a

working group of interested stakeholders, who can review the existing scope of practice, licensing requirements, and continuing education requirements for pharmacists and consider whether to enhance or expand these areas.

Your Committee notes that as pharmacists work collaboratively with licensed physicians, adding a physician member to the working group would be beneficial.

Accordingly, your Committee has amended this measure by:

- (1) Adding a representative from the Hawaii Medical Association to the working group; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 135, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 135, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 3460 Commerce, Consumer Protection, and Health on S.R. No. 94

The purpose and intent of this measure is to request the Department of Labor and Industrial Relations and the University of Hawaii Center on Aging to convene a working group to review the provision of in-home care services in Hawaii, make recommendations that will improve the quality of care, and include its review and recommendations in a report to the Legislature.

Your Committee received testimony in support of this measure from the ILWU Local 142, AARP Hawai'i, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Caring Across Generations, Faith Action for Community Equity, and six individuals. Your Committee received comments on this measure from the Department of Labor and Industrial Relations and University of Hawai'i System.

Your Committee finds that by 2020, nearly three hundred thousand people in Hawaii will be age sixty-five or older. Your Committee also finds that most individuals who require assistance with daily activities prefer to receive care at home. Your Committee further finds that home care workers provide care for clients with highly complex needs which may require specialized training or certification to treat properly. Accordingly, your Committee finds that the State would benefit from a working group to review the provision of in-home care services in the State and make recommendations to improve the quality of care.

Your Committee has heard concerns of the Department of Labor and Industrial Relations that this measure does not fall within their purview, nor does the Department collect much of the information requested. However, your Committee finds that the Department does collect some relevant information and may have some relevant expertise and therefore should be represented in the working group. Your Committee further finds that the Executive Office on Aging is an appropriate agency to supply a representative to co-chair the requested working group.

Your Committee has amended this measure by:

- (1) Replacing as a co-chair of the working group the Department of Labor and Industrial Relations' representative with a representative of the Executive Office on Aging;
- (2) Requesting representatives of the Departments of Labor and Industrial Relations and Business, Economic Development, and Tourism to serve as members of the group;
- (3) Amending its title to reflect its amended purpose; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 94, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 94, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3461 Judiciary on S.C.R. No. 11

The purpose and intent of this measure is to:

- (1) Urge the Department of Education, Department of Health, Department of Human Services, and Judiciary to permanently establish the Hawaii Interagency State Youth Network of Care (HISYNC);
- (2) Urge the various state entities to participate in HISYNC and the Hawaii Interagency Local Youth Network of Care (HILYNC);
- (3) Urge additional child-serving agencies that are not currently members of HISYNC to participate in HISYNC's interagency forum and send local representatives to each of the regional HILYNC committees; and
- (4) Urge HISYNC to coordinate the complex landscape of the child-serving system.

Your Committee received testimony in support of this measure from the Department of Human Services, Department of Education, Department of Health, Hawaii Youth Services Network, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the Department of Education, Department of Health, Department of Human Services, and Judiciary are responsible for serving the multiple needs of children, youth, and families. To increase collaboration; develop a system of care for children, youth, and families; and provide representatives of children, youth, and families a forum to give recommendations and ensure that the child-serving system is responsive to the needs of children, youth, and families, these state agencies have formed HISYNC. HISYNC has implemented and supported several multi-agency initiatives to promote interagency collaboration and increase the effectiveness and efficiency of the child-serving system. This measure will officially recognize HISYNC and urge the network to continue to provide comprehensive services and additional resources for children with complex needs and their families.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 11, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3462 Judiciary on S.R. No. 10

The purpose and intent of this measure is to:

- (1) Urge the Department of Education, Department of Health, Department of Human Services, and Judiciary to permanently establish the Hawaii Interagency State Youth Network of Care (HISYNC);
- (2) Urge the various state entities to participate in HISYNC and the Hawaii Interagency Local Youth Network of Care (HILYNC);
- (3) Urge additional child-serving agencies that are not currently members of HISYNC to participate in HISYNC's interagency forum and send local representatives to each of the regional HILYNC committees; and
- (4) Urge HISYNC to coordinate the complex landscape of the child-serving system.

Your Committee received testimony in support of this measure from the Department of Human Services, Hawaii Youth Services Network, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the Department of Education, Department of Health, Department of Human Services, and Judiciary are responsible for serving the multiple needs of children, youth, and families. To increase collaboration; develop a system of care for children, youth, and families; and provide representatives of children, youth, and families a forum to give recommendations and ensure that the child-serving system is responsive to the needs of children, youth, and families, these state agencies have formed HISYNC. HISYNC has implemented and supported several multi-agency initiatives to promote interagency collaboration and increase the effectiveness and efficiency of the child-serving system. This measure will officially recognize HISYNC and urge the network to continue to provide comprehensive services and additional resources for children with complex needs and their families.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 10, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3463 Judiciary on S.C.R. No. 123

The purpose and intent of this measure is to urge the National Oceanic and Atmospheric Administration to prohibit individuals from approaching within fifty feet of a Hawaiian monk seal except when providing aid to the Hawaiian monk seal.

Your Committee received testimony in support of this measure from Keiko Conservation, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and four individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that the Hawaiian monk seal is one of the world's most critically endangered species of marine mammal. The National Oceanic and Atmospheric Administration has reported that a number of habituated seals have become a serious safety risk to humans, or have suffered injuries as a result of human infringement and interaction. Your Committee further finds that Hawaiian monk seals are protected by the Endangered Species Act, which makes it illegal under federal law to harass the seals. To provide protection for Hawaiian monk seals from human interaction, this measure urges the National Oceanic and Atmospheric Administration to prohibit individuals from approaching within fifty feet of a Hawaiian monk seal unless the individual is a licensed professional who is qualified to provide aid to the seal.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 123, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3464 Judiciary on S.R. No. 82

The purpose and intent of this measure is to urge the National Oceanic and Atmospheric Administration to prohibit individuals from approaching within fifty feet of a Hawaiian monk seal except when providing aid to the Hawaiian monk seal.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and one individual. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that the Hawaiian monk seal is one of the world's most critically endangered species of marine mammal. The National Oceanic and Atmospheric Administration has reported that a number of habituated seals have become a serious safety risk to

humans, or have suffered injuries as a result of human infringement and interaction. Your Committee further finds that Hawaiian monk seals are protected by the Endangered Species Act, which makes it illegal under federal law to harass the seals. To provide protection for Hawaiian monk seals from human interaction, this measure urges the National Oceanic and Atmospheric Administration to prohibit individuals from approaching within fifty feet of a Hawaiian monk seal unless the individual is a licensed professional who is qualified to provide aid to the seal.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 82, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3465 Commerce, Consumer Protection, and Health on S.R. No. 126

The purpose and intent of this measure is to request the Board of Agriculture to submit a report to the Legislature detailing a plan to improve the import permit process for all agricultural commodities.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that the Plant Quarantine Branch of the Department of Agriculture is tasked with preventing the introduction and spread of harmful pests and diseases into the State by regulating domestic import, performing border inspections, and facilitating post border detection and control of agricultural pests. The Plant Quarantine Branch also administers the import permit program to control the importation of plants, insects, microorganisms, and non-domestic animals. However, concerns have been raised about the Branch's existing administrative rules and import permit process. This measure therefore requests the Board of Agriculture to develop a plan to improve its import permit process for all agricultural commodities to ensure that the process reflects current industry conditions, needs, and best practices.

Your Committee has heard concerns from the Department of Agriculture that this measure requests the Board of Agriculture to implement risk-based assessments for all import categories, which may eliminate the specificity in the review process and could impose unnecessary restrictions on certain users. Your Committee understands these concerns and notes that a general review and update of the import permit process by the Board of Agriculture may be more appropriate.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that the Board of Agriculture is requested to review and update the import permit process for all agricultural commodities and submit a report to the Legislature, prior to the next legislative session, recommending any required legislative changes to the import permit process, rather than requesting the Board to submit a report to the Legislature that includes specific changes to the current import permit process;
- (2) Updating its title; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 126, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 126, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3466 (Joint) Commerce, Consumer Protection, and Health and Judiciary on S.C.R. No. 129

The purpose and intent of this measure is to request the Department of Health to convene a task force to examine how a statewide use of domestic violence assessments and response protocol by emergency medical services personnel can help to strengthen the State's overall response to domestic violence.

Your Committees received testimony in support of this measure from the Department of Health, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and two individuals.

Your Committees find that emergency medical services personnel and other first responders are uniquely positioned to assess significant threats to a victim's life or personal safety, including threats of domestic violence. Your Committees further find that the data collected by emergency medical services personnel is valuable not only in helping protect victims of domestic violence, but also in preparing emergency medical services personnel and other first responders for the potential dangers associated with responding to domestic violence incidents. Your Committees also find that the work done by emergency medical services personnel is critical and time-sensitive, and that data collection in such circumstances should be performed with care. Accordingly, your Committees find that the State would benefit from a task force to examine the effect of potential statewide use of domestic violence assessments and response protocol on the State's overall response to domestic violence.

Your Committees have heard the concern of an individual testifier that the proposed task force, as currently constituted, lacks input from survivors of domestic violence. Your Committees also note that since the members of the task force are drawn from each of the State's counties, the members may find it difficult to meet in person.

Accordingly, your Committees have amended this measure by:

- (1) Requesting survivors and parents of survivors of domestic violence to serve as members of the task force at the invitation of the chair;

- (2) Requesting the task force to allow member presence and participation via teleconference, as well as in person, to encourage participation of members from neighbor islands; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Judiciary that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 129, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 129, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3467 Ways and Means on S.R. No. 23

The purpose and intent of this measure is to request that the State include in its list of first responders a network of organizations contracted to immediately provide food, beverages, and ice to residents during a natural disaster.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that it is vital for individuals affected by a natural disaster to have access to an adequate supply of food, beverages, and ice.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 23 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3468 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.C.R. No. 156

The purpose and intent of this measure is to request the Department of Health and Department of Commerce and Consumer Affairs to:

- (1) Review existing research on the impact of screen time and media consumption on children's and adolescents' physical, cognitive, and emotional health and policies implemented in other jurisdictions to address this issue; and
- (2) Submit a report of their findings and recommendations to the Legislature including a list of key points from the research, potential policies to implement, plans for future agency actions, and an explanation of the division of responsibility between the Departments of Health and Commerce and Consumer Affairs with respect to this issue.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and sixteen individuals. Your Committees received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs Office of Consumer Protection. Your Committees received comments on this measure from the Department of Health.

Your Committees find that the current levels of screen time by children and adolescents pose potential risks to the health of Hawaii's youth. Your Committees further find that existing research on screen use may provide a cost-effective guide to health policy around this issue.

Your Committees have heard the concern of the Department of Commerce and Consumer Affairs and the Department of Health that the Departments lack the resources and trained staff to handle all of the concerns raised by this measure. Your Committees find that the Department of Commerce and Consumer Affairs may not be the appropriate agency to address the concerns raised by this measure. Your Committees also find that the Department of Health's Chronic Disease Prevention and Health Promotion Division cooperates with state agencies, schools, nonprofit organizations, and members of the community to address the physical health and nutrition of children and adolescents. The Division's mission is closely aligned with the purpose and intent of this measure, but does not include developmental or psychosocial aspects of the health of children and adolescents. Your Committees find that the Division's cooperative arrangements may be useful vehicles to study the effect of screen use on the physical health and nutrition of children and adolescents. Amendments to this measure are therefore necessary to address the concerns raised by the Department of Health and to shift the focus from mental and psychosocial health to physical health and nutrition.

Your Committees have amended this measure by:

- (1) Removing references to the Department of Commerce and Consumer Affairs;
- (2) Amending the findings to highlight ties between screen use and obesity and lack of physical activity to reflect the change in focus from mental and psychosocial health to physical health and nutrition;
- (3) Requesting the Department of Health to submit its report no later than twenty days prior to the Regular Session of 2020, rather than 2019;
- (4) Amending the contents of the requested report to reflect the change in focus from mental and psychosocial health to physical health and nutrition, including preparation of a summary of findings and recommendations of a future convening of nutrition and physical activity stakeholders;
- (5) Amending its title to reflect its amended purpose; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 156, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 156, S.D. 1.

Signed by the Chair and President on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

SCRep. 3469 Ways and Means on S.C.R. No. 192

The purpose and intent of this measure is to request the Department of Accounting and General Services and its counterparts at the county level to eliminate the payroll lag for all State and county temporary and emergency employees.

Your Committee received testimony in support of this measure from one individual.

Your Committee received testimony in opposition to this measure from the Department of Accounting and General Services.

Your Committee finds that the existing payroll lag creates an unnecessary and undue hardship for temporary and emergency hires because these employees must complete a significant percentage of their work period before ever receiving a paycheck.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 192 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Riviere, Shimabukuro).

SCRep. 3470 Ways and Means on S.C.R. No. 52

The purpose and intent of this measure is to request that the State include in its list of first responders a network of organizations contracted to immediately provide food, beverages, and ice to residents during a natural disaster.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that it is vital for individuals affected by a natural disaster to have access to an adequate supply of food, beverages, and ice.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 52 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3471 Ways and Means on S.C.R. No. 158

The purpose and intent of this measure is to urge the Governor and Legislature to convene a joint task force to identify and examine ways that the State can increase revenue and reduce costs.

Your Committee received written comments on this measure from the Department of Taxation.

Your Committee finds that convening a joint task force to investigate potential ways the State can increase revenues and reduce costs will improve cost effectiveness and make the State more financially sound.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 158 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Shimabukuro).

SCRep. 3472 Ways and Means on S.C.R. No. 48

The purpose and intent of this measure is to encourage the development of more housing for native Hawaiians.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Hawaiian Home Lands.

Your Committee finds that there is a pressing need for more housing in the State and this measure provides legislative support for the Department of Hawaiian home Lands to expedite the development of innovative housing for its beneficiaries.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 48, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3473 Ways and Means on S.R. No. 118

The purpose and intent of this measure is to urge the Governor and Legislature to convene a joint task force to identify and examine ways that the State can increase revenue and reduce costs.

Your Committee received written comments on this measure from the Department of Taxation.

Your Committee finds that convening a joint task force to investigate potential ways the State can increase revenues and reduce costs will improve cost effectiveness and make the State more financially sound.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 118 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Shimabukuro).

SCRep. 3474 Ways and Means on S.C.R. No. 95

The purpose and intent of this measure is to support the acquisition of important agricultural, cultural, and historic lands located in Maunawili Valley, Oahu.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, the Office of Planning, the Environmental Caucus of the Democratic Party of Hawaii, the Department of Agriculture, HuiKailuaKawainuiKaWaiOla, Hika'alani, Hui Maunawili-Kawainui, HALAU MOHALA ILIMA, Wild Kids Hawaii, The Trust for Public Land, Kailua Hawaiian Civic Club, Hookuaaina, and twenty-eight concerned individuals.

Your Committee finds that protecting Maunawili Valley's fertile agricultural lands, fresh water resources, ancient and historic sites, and historic trails benefits the culture, agriculture, and sustainability of Hawaii.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 95, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Harimoto, Shimabukuro).

SCRep. 3475 Ways and Means on S.R. No. 55

The purpose and intent of this measure is to support the acquisition of important agricultural, cultural, and historic lands located in Maunawili Valley, Oahu.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, the Office of Planning, the Environmental Caucus of the Democratic Party of Hawaii, Hawaiian Civic Club of Honolulu, Kailua Hawaiian Civic Club, HALAU MOHALA ILIMA, Wild Kids Hawaii, the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and nineteen concerned individuals

Your Committee finds that protecting Maunawili Valley's fertile agricultural lands, fresh water resources, ancient and historic sites, and historic trails benefits the culture, agriculture, and sustainability of Hawaii.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 55, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Harimoto, Shimabukuro).

SCRep. 3476 Ways and Means on S.C.R. No. 31

The purpose and intent of this measure is to request the Hawaii State Foundation on Culture and the Arts to commission a monument to President Barack Obama.

Your Committee received written comments in support of this measure from Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received comments on this measure from the Hawaii State Foundation on Culture and the Arts.

Your Committee finds that President Barack Obama was born and raised on Oahu and was the first United States president of African American ancestry, and that honoring him with a monument will both educate and inspire residents of the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 31, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3477 Ways and Means on S.R. No. 15

The purpose and intent of this measure is to request the Hawaii State Foundation on Culture and the Arts to commission a monument to President Barack Obama.

Your Committee received written comments in support of this measure from Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that President Barack Obama was born and raised on Oahu and was the first United States president of African American ancestry, and that honoring him with a monument will both educate and inspire residents of the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 15, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3478 Ways and Means on S.C.R. No. 137

The purpose and intent of this measure is to request the Insurance Commissioner to establish and convene an insurance modernization working group to explore and propose specific legislation to update and modernize Hawaii's property, casualty, and life insurance laws.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs, State Farm Insurance, and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Hawaii Association for Justice.

Your Committee finds that a working group could provide informed recommendations to enable the Legislature to update the Insurance Code to account for technological innovations such as the Internet and smart phones.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 137, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Shimabukuro).

SCRep. 3479 Ways and Means on S.C.R. No. 161

The purpose and intent of this measure is to urge the Governor and Director of the Hawaii Emergency Management Agency to improve Hawaii's emergency preparedness and hazard mitigation measures.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii and one individual.

Your Committee finds that improving Hawaii's emergency preparedness and hazard mitigation measures will enhance the State's ability to prepare for future disasters before they occur and qualify for larger federal hazard mitigation grants in the event of a major natural disaster.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 161 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Riviere, Shimabukuro).

SCRep. 3480 Ways and Means on S.C.R. No. 76

The purpose and intent of this measure is to request the United States Congress to convene a limited national convention under Article V of the United States Constitution for the exclusive purpose of proposing an amendment to the Constitution that would limit the influence of money in the nation's electoral process.

Your Committee received written comments in support of this measure from the Wolf-PAC and forty-five individuals.

Your Committee received written comments in opposition to this measure from the Department of the Attorney General, Citizens Against an Article V Convention, Community Alliance on Prisons, Common Cause Hawaii, Hawaii Government Employees Association, Hawaii Appleseed Center for Law and Economic Justice, IMUAlliance, American Civil Liberties Union of Hawaii, ILWU Local 142, League of Women Voters of Hawaii, LGBT Caucus of the Democratic Party of Hawaii, and four individuals.

Your Committee finds that the Convention Clause of Article V of the United States Constitution provides an important means for states to initiate the adoption of constitutional amendments that are perceived to be in the national interest by significant percentages of the American population.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 76, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3481 Ways and Means on S.C.R. No. 134

The purpose and intent of this measure is to grant legislative approval to the Office of Hawaiian Affairs to sell the fee simple interest in certain parcels in Kakaako, including tax map key no. (1) 2-1-015:061, to the City and County of Honolulu.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs; the Department of Environmental Services, City and County of Honolulu; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that the sale of the fee interest in certain parcels in Kakaako, including tax map key no. (1) 2-1-015:061, is subject to section 171-64.7, Hawaii Revised Statutes, which requires the prior approval of the Legislature by concurrent resolution to sell or gift certain state lands in fee simple. Your Committee notes that the Office of Hawaiian Affairs has met all statutory prerequisites to request approval of the sale of those parcels.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 134 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (English, Harimoto, Shimabukuro).

SCRep. 3482 Ways and Means on S.C.R. No. 65

The purpose and intent of this measure is to request that the Honolulu Police Department submit a report on the costs of stationing on-campus school resource officers in intermediate and high schools on the island of Oahu.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee received written comments in opposition to this measure from the American Civil Liberties Union of Hawaii.

Your Committee finds that on-campus school resource officers may help to secure schools and prevent incidents of violence on school campuses.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 65 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Harimoto, Inouye, Kahele, Shimabukuro).

SCRep. 3483 Ways and Means on S.C.R. No. 45

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting property located in Puamana, Lahaina, Maui, for the use, maintenance, repair, and removal of the existing seawall structures, concrete groin, and revetment footings of a historic swimming pool.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that this measure expresses the requisite legislative approval so that an easement may be issued for the use of state submerged lands.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 45, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Harimoto, Inouye, Kahele, Shimabukuro).

SCRep. 3484 Ways and Means on S.C.R. No. 49

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting property located in Honokowai, Lahaina, Maui, for the use, maintenance, repair, and removal of an existing seawall.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that this measure expresses the requisite legislative approval so that an easement may be issued for the use of state submerged lands.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 49, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Harimoto, Inouye, Kahele, Shimabukuro).

SCRep. 3485 (Majority) Ways and Means on S.C.R. No. 63

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting property located in Kahana, Lahaina, Maui, for the use, maintenance, repair, replacement, and removal of a steel sheet pile seawall and rock revetment.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources and Hololani Condominium Association of Apartment Owners.

Your Committee received written comments in opposition to this measure from Hawaii Alliance for Progressive Action and four individuals.

Your Committee finds that this measure expresses the requisite legislative approval so that an easement may be issued for the use of state submerged lands.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 63, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Riviere). Excused, 4 (Harimoto, Inouye, Kahele, Shimabukuro).

SCRep. 3486 Ways and Means on S.C.R. No. 80

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting property located in Spreckelsville, Wailuku, Maui, for the existing seawall and boulder revetment and for the use, repair, and maintenance of the existing improvements.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that this measure expresses the requisite legislative approval so that an easement may be issued for the use of state submerged lands.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 80, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Harimoto, Inouye, Kahele, Shimabukuro).

SCRep. 3487 Ways and Means on S.C.R. No. 79

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting property located in Kaanapali, Lahaina, Maui, for the existing beach walk, trench drain, sign, and public beach shower, and for the use, maintenance, repair, replacement, and removal of the existing improvements.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that this measure expresses the requisite legislative approval so that an easement may be issued for the use of state submerged lands.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 79, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Harimoto, Inouye, Kahele, Shimabukuro).

SCRep. 3488 Ways and Means on S.C.R. No. 64

The purpose and intent of this measure is to request federal funding to provide school resource officers in every requesting intermediate and high school in the State.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments in opposition to this measure from the American Civil Liberties Union of Hawaii and Hawaii Youth Services Network.

Your Committee finds that requesting federal funding to provide school resource officers to every requesting intermediate and high school will promote school safety.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 64, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Harimoto, Inouye, Kahele, Shimabukuro).

SCRep. 3489 Ways and Means on S.C.R. No. 159

The purpose and intent of this measure is to request that the Department of Education convene a task force to recommend improvements to computer science programs at public schools.

Your Committee received written comments in support of this measure from the Department of Education and the University of Hawaii System.

Your Committee finds that improving and expanding public school computer science programs will help to increase the number of public school graduates who pursue post-secondary degrees in computer science and are ultimately employed in that field.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 159 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Shimabukuro).

SCRep. 3490 Ways and Means on S.C.R. No. 160

The purpose and intent of this measure is to promote access to education by requesting the Department of Education to explore student aid options for students who attend a Department of Education community school for adults and opt to enroll in and complete the competency-based community school diploma program to earn a Hawaii adult community school diploma.

Your Committee received written comments in support of this measure from the Department of Education.

Your Committee finds that because Department of Education community school for adults graduates who successfully completed the competency-based community school diploma program do not qualify for federal student aid, alternate solutions are necessary to allow these graduates the opportunity to further their education.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 160 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Shimabukuro).

SCRep. 3491 Ways and Means on S.C.R. No. 83

The purpose and intent of this measure is to urge the Executive Office on Aging to conduct a study on the impacts of an aging population in Hawaii and submit a report to the 2019 Legislature.

The Executive Office on Aging submitted written comments on the measure.

Your Committee finds that the report requested by this measure will facilitate the development of plans and setting of policies that ensure the State is prepared for the growth of its aging population.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 83, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3492 Ways and Means on S.R. No. 51

The purpose and intent of this measure is to urge the Executive Office on Aging to conduct a study on the impacts of an aging population in Hawaii and submit a report to the 2019 Legislature.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the report requested by this measure will facilitate the development of plans and setting of policies that ensure the State is prepared for the growth of its aging population.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 51, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3493 Ways and Means on S.C.R. No. 73

The purpose and intent of this measure is to request the United States Congress to make permanent the authority of the Native Hawaiian Health Care Improvement Act, with all of the funding resources necessary to effectuate its stated policy of raising the health status of Native Hawaiians to the highest possible health level.

Your Committee received written comments in support of this measure from the University of Hawaii System, Hawaiian Civic Club of Honolulu, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Written comments in opposition were received from the Center for Hawaiian Sovereignty Studies.

Your Committee finds that this measure will help to provide Native Hawaiians with the same assurance given to other indigenous people in the United States with respect to federal funding for health programs and services.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 73, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3494 Ways and Means on S.R. No. 44

The purpose and intent of this measure is to request the United States Congress to make permanent the authority of the Native Hawaiian Health Care Improvement Act, with all of the funding resources necessary to effectuate its stated policy of raising the health status of Native Hawaiians to the highest possible health level.

Your Committee received written comments in support of this measure from the University of Hawaii System, Hawaiian Civic Club of Honolulu, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Written comments in opposition were received from the Center for Hawaiian Sovereignty Studies.

Your Committee finds that this measure will help to provide Native Hawaiians with the same assurance given to other indigenous people in the United States with respect to federal funding for health programs and services.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 44, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Shimabukuro).

SCRep. 3495 Ways and Means on S.C.R. No. 22

The purpose and intent of this measure is to request the Director of Finance to establish a working group to identify barriers to improving the State's hiring processes.

Your Committee received written comments in support of this measure from the Hawaii Government Employees Association.

Your Committee received written comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that the unemployment rate in Hawaii is the lowest in the nation and that identifying barriers within the State's hiring processes is critical to alleviating the difficulties of attracting and retaining qualified, experienced people and, in particular, addressing the shortage of employees at the mid-management level.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 22, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3496 Ways and Means on S.R. No. 12

The purpose and intent of this measure is to request the Director of Finance to establish a working group to identify barriers to improving the State's hiring processes.

Your Committee received written comments in support of this measure from the Hawaii Government Employees Association.

Your Committee finds that the unemployment rate in Hawaii is the lowest in the nation and that identifying barriers within the State's hiring processes is critical to alleviating the difficulties of attracting and retaining qualified, experienced people and, in particular, addressing the shortage of employees at the mid-management level.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 12, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3497 Ways and Means on S.C.R. No. 50

The purpose and intent of this measure is to request the Legislative Reference Bureau to conduct a study regarding designating, dissolving, or transferring certain community development districts under the Hawaii Community Development Authority.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Legislative Reference Bureau and the Department of Planning and Permitting, City and County of Honolulu.

Your Committee finds that a study is necessary to assess and analyze the existing community development districts and the potential designation of any new community development districts to ensure that the goals and purposes of the Hawaii Community Development Authority and the community development districts are met.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 50 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3498 Ways and Means on S.R. No. 22

The purpose and intent of this measure is to request the Legislative Reference Bureau to conduct a study regarding designating, dissolving, or transferring certain community development districts under the Hawaii Community Development Authority.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that a study is necessary to assess and analyze the existing community development districts and the potential designation of any new community development districts to ensure that the goals and purposes of the Hawaii Community Development Authority and the community development districts are met.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 22 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3499 Ways and Means on S.C.R. No. 20

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism to identify possible state-owned land to build a race track facility on the island of Oahu.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii and one individual.

Your Committee received written comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that identifying state-owned lands and establishing public-private partnerships for the development of a race track on Oahu will facilitate economic development and benefit the state's auto racing community.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 20 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Harimoto, Kahele, Shimabukuro).

SCRep. 3500 Ways and Means on S.R. No. 18

The purpose and intent of this measure is to urge the extended and proper use of the Hawaiian language by state agencies.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and two individuals.

Your Committee received written comments in opposition to this measure from the Center for Hawaiian Sovereignty Studies.

Your Committee finds that this measure will enhance the Hawaiian language's role in maintaining the unique identity of the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 18, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Shimabukuro).

SCRep. 3501 Ways and Means on S.C.R. No. 166

The purpose and intent of this measure is to promote consistency in the curriculum across the University of Hawaii System by requesting the University of Hawaii System to utilize and expand existing curriculum and programs across the various campuses, rather than allowing each campus to create its own curriculum and programs.

Your Committee received written comments in opposition to this measure from the University of Hawaii System.

Your Committee finds that the various campuses of the University of Hawaii System should work together to offer the best undergraduate general education core requirement programs possible for its students.

Your Committee has amended this measure by:

- (1) Clarifying that the University of Hawaii System is requested to utilize and expand existing undergraduate general education core requirement curriculum and programs across the various campuses; and
- (2) Amending the measure's title to reflect its amended purpose.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 166, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 166, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Shimabukuro).

SCRep. 3502 Ways and Means on S.C.R. No. 86

The purpose and intent of this measure is to request the Board of Education to redistrict the students expected to be living in the yet-to-be-completed Koa Ridge development to the Pearl City-Waipahu complex area.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that the current boundaries of the Department of Education districts will require students who will be living in the Koa Ridge development to attend Mililani Middle School. However, Mililani Middle School is not expected to have the resources to meet this additional student capacity. Your Committee further finds that redistricting Koa Ridge development students to the Pearl City-Waipahu complex area, instead of the Leilehua-Mililani-Waialua complex area, will direct those students to a middle school with sufficient capacity to accept additional students.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 86 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Harimoto, Shimabukuro).

SCRep. 3503 Ways and Means on S.C.R. No. 59

The purpose and intent of this measure is to urge the Agribusiness Development Corporation to establish a farm apprenticeship program.

Your Committee received written comments in support of this measure from the Department of Agriculture, Agribusiness Development Corporation, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that this measure will help Hawaii's agriculture industry increase self-sustainability and improve food security.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 59 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3504 Ways and Means on S.C.R. No. 92

The purpose and intent of this measure is to request that the Department of Education submit a report on unutilized, lapsed federal grant revenue for public education.

Your Committee received written comments in support of this measure from the Department of Education; Association of Hawaiian Civic Clubs; Kanu o ka Aina Learning Ohana; Na Lei Naauao; Native Hawaiian Education Council; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; the Prince Kuhio Hawaiian Civic Club; and one individual.

Your Committee finds that the report requested under this measure will facilitate a clearer understanding of all federal funds available for public education in Hawaii so that the Legislature can make informed decisions regarding the total funding of public education in the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 92 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Harimoto, Kahele, Kidani).

SCRep. 3505 Ways and Means on S.C.R. No. 180

The purpose and intent of this measure is to facilitate the consumption of local produce in public schools.

Your Committee received written comments in support of this measure from the Office of the Lieutenant Governor, the Department of Agriculture, Hawaii Farm Bureau Federation, Oahu County Committee on Legislative Priorities for the Democratic Party of Hawaii, and Ulupono Initiative.

Your Committee finds that encouraging consumption of local produce in the State's public schools will benefit school children with fresher, better-tasting, and more nutritious food.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 180, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Harimoto, Inouye, Kahele, Shimabukuro).

SCRep. 3506 Ways and Means on S.C.R. No. 168

The purpose and intent of this measure is to improve ocean safety by urging the Department of Education to implement ocean and water safety education programs for elementary school students.

Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that one in five persons who die from drowning are younger than fifteen years of age; therefore it is essential to introduce ocean and water safety awareness among the State's youth.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 168, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Shimabukuro).

SCRep. 3507 Ways and Means on S.C.R. No. 85

The purpose and intent of this measure is to urge the Vice President for Budget and Finance of the University of Hawaii System to develop a plan for the redevelopment of the University of Hawaii at Manoa lower campus through a public private partnership.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the University of Hawaii System.

Your Committee finds that public private partnerships to redevelop the lower campus of the University of Hawaii at Manoa could help generate revenue for the school and revitalize the area with minimal capital investment by the State.

Your Committee has amended this measure by specifying that the findings and recommendations of the Vice President for Budget and Finance of the University of Hawaii System address options for public private partnership pilot projects.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 85, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 85, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3508 Ways and Means on S.C.R. No. 81

The purpose and intent of this measure is to maximize Medicaid reimbursement for support services offered to eligible students during school hours.

Your Committee received written comments in support of this measure from the Department of Education, Hawaii State Teachers Association, and Oahu County Committee on Legislative Priorities for the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Human Services.

Your Committee recognizes that a review of the Department of Education's effectiveness and efficiency in maximizing Medicaid reimbursements for support services to eligible students is necessary.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 81, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Harimoto, Inouye, Kahele, Shimabukuro).

SCRep. 3509 Ways and Means on S.C.R. No. 146

The purpose and intent of this measure is to urge the Department of Land and Natural Resources, Department of Health, and City and County of Honolulu to take action to restore the Kawainui-Hamakua marsh complex and prepare plans to protect endangered waterbirds and visiting migratory waterbirds in the complex.

Your Committee received written comments in support of this measure from the Hawaiian Civic Club of Honolulu, Ku Pa'a Kailua, the Oahu County Committee on the Legislative Priorities of the Democratic Party of Hawaii, and one individual.

Your Committee received written comments in opposition to this measure from Archipelago Hawaii, Luxury Home Designs; Bali Boo Furniture Store; Beachside Lighting; Engineered Systems Inc.; GavinWood LLC; Hi Tec Construction; Hi Tec Construction Services; HC&D, LLC; Holden Hospital Supply, Inc.; Island Lawn Equipment LLC; Kailua Hawaiian Civic Club; Kapa'a Auto Body, LLC; Kapa'a Industrial; Kapa'a Industrial Park; Kapaa 1 LLC; Hika'alani; M&M Tanks, Inc.; Mobile Outboard Marine Service; Ozzy's Construction, Inc.; RNS Automotive; RNS Automotive LLC; Ron's Furniture Repairs LLC; Round Table Pizza Kailua; Sinclair Drywall, Inc.; Todd Branson Stoneworks Inc.; Tonga Trading Co., Ltd.; Tony's Autowerks; Tropical Clay Hawaii; VES Inc.; and thirty individuals.

Your Committee received written comments on this measure from the Department of Land and Natural Resources; Kawainui Marsh Environmental Education Initiative; and one individual.

Your Committee finds that taking action to restore the Kawainui-Hamakua marsh complex will protect endangered and migratory birds and archaeological sites and will help ensure the marsh complex's survival.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 146, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Shimabukuro).

SCRep. 3510 Judiciary on H.B. No. 860

The purpose and intent of this measure is to establish quiet title action procedures for kuleana lands, including:

- (1) At the request of a defendant, court-ordered mandatory mediation to resolve the action;
- (2) At the request of defendants, court-ordered consolidation of separate actions under specified conditions;
- (3) Prohibiting the extinguishment or alienation of the defendant's access to the land for native Hawaiian cultural and traditional practices; and
- (4) Prohibiting a plaintiff from recovering costs, expenses, and attorney's fees from a defendant.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Ka Lāhui Hawai'i Political Action Committee, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and three individuals. Your Committee received testimony in opposition to this measure from the Land Use Research Foundation of Hawaii and one individual.

Your Committee finds that kuleana land parcels, many of which have been passed down from original awardees through multiple generations of heirs, represent a vital legal recognition of native Hawaiian families' traditional tenure of ancestral lands. Although

quiet title actions have been a beneficial legal tool for native Hawaiian kuleana awardees to resist adverse possession claims made by large agricultural landowners, the current framework of quiet title action leaves kuleana owners vulnerable to dispossession, including through the use of complex and cost-prohibitive legal processes that effectively foreclose quiet title defendants from challenging quiet title actions and adverse possession claims. This measure will create a more equitable and timely process to resolve disputes and hardships stemming from quiet title actions filed against owners of kuleana lands.

Your Committee notes a need for native Hawaiian stakeholders to continue to work with advocacy groups and legal experts in addressing the specific circumstances relating to quiet title actions that particularly affect kuleana lands that are inhabited or actively utilized by one individual or a small group of persons. Accordingly, your Committee suggests that your Committee on Conference, if it considers this measure, examine the feasibility of establishing a working group consisting of various stakeholders to examine the complex issues associated with quiet title actions relating to kuleana lands. Your Committee further suggests that your Committee on Conference, if it examines this measure, or a future working group, consider requiring that a plaintiff in a quiet title action have a significant ownership interest in the kuleana land in question in order to bring such an action.

Your Committee has amended this measure by:

- (1) Inserting legislative findings and expressing that the intent of the Legislature is to prohibit any interpretation that would diminish or restrict native Hawaiian rights under article XII, section 7, of the Hawaii State Constitution;
- (2) Specifying that a court-ordered mandatory mediation requested by a defendant may focus on resolving the quiet title action in addition to any other preliminary issues that may need to be established as part of a partition action under chapter 668A, Hawaii Revised Statutes;
- (3) Specifying that the plaintiff in a quiet title action shall bear the costs of mediation and may only recover costs, expenses, or attorney's fees from the defendant as deemed equitable by the court;
- (4) Removing language providing that plaintiffs in quiet title actions shall neither seek nor be awarded the extinguishment or alienation of a defendant's access to lands for native Hawaiian cultural and traditional practices;
- (5) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 860, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 860, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3511 Judiciary on H.B. No. 2318

The purpose and intent of this measure is to:

- (1) Amend the definition of "confidential personal information" for offenses against property rights;
- (2) Specify other types of confidential personal information; and
- (3) Clarify when a password constitutes confidential personal information.

Your Committee received testimony in support of this measure from the Department of Hawaiian Home Lands, Department of the Prosecuting Attorney of the City and County of Honolulu, Hawaiian Civic Club of Honolulu, and one individual. Your Committee received testimony in opposition to this measure from the American Council of Life Insurers. Your Committee received comments on this measure from the Office of Information Practices, Kaiser Permanente Hawai'i, The Queen's Health Systems, Healthcare Association of Hawaii, and Hawai'i Pacific Health.

Your Committee finds that, in *State v. Pacquing*, 139 Hawaii 302, 389 P.3d 897 (2016), the Hawaii Supreme Court held that certain parts of the definition of "confidential personal information" are unconstitutionally vague. This measure is intended to address the Court's concerns by narrowing and clarifying the circumstances under which a password constitutes confidential personal information and adds several other types of information that would be considered confidential. Your Committee notes that S.B. No. 2745, S.D. 1 (Regular Session of 2018), which was previously passed by the Senate, addresses the same concerns as this measure and was recently heard and passed with amendments by the House Committee on Judiciary. Therefore, initially your Committee intended to defer this measure indefinitely, however your Committee received testimony from the Department of Hawaiian Home Lands requesting that this measure be amended to serve as a vehicle for the language of S.B. No. 2782, S.D. 1 (Regular Session of 2018).

S.B. No. 2782, S.D. 1, specifies that certain government records containing beneficiaries' personal information maintained by the Department of Hawaiian Home Lands are not required to be publicly disclosed or made open to inspection pursuant to public records requests and may be discussed during an executive meeting of the Hawaiian Homes Commission. Your Committee finds that the language of S.B. No. 2782, S.D. 1, is preferable because it protects information in which members of the public have a significant privacy interest while still allowing the Hawaiian Homes Commission to access and discuss the protected information as necessary to conduct the business of the Commission.

Accordingly, your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 2782, S.D. 1, a measure that:

- (1) Specifies that certain government records containing beneficiaries' personal information maintained by the Department of Hawaiian Home Lands are not required to be publicly disclosed or made open to inspection pursuant to public records requests and may be discussed during an executive meeting of the Hawaiian Homes Commission; and

- (2) Inserts an effective date of July 1, 2050.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2318, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2318, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3512 Commerce, Consumer Protection, and Health on H.B. No. 2411

The purpose and intent of this measure is to:

- (1) Clarify the definition of growler;
- (2) Permit a class 18 small craft producer pub licensee to manufacture not more than one hundred thousand barrels of malt beverages on the licensee's premises during the license year;
- (3) Clarify that a class 14 brewpub licensee or class 18 small craft producer pub licensee may conduct certain activities at locations other than the licensee's primary manufacturing premises under certain conditions; and
- (4) Allow direct shipment of all forms of liquor, rather than just wine, by certain licensees.

Your Committee received testimony in support of this measure from the Hawaiian Craft Brewers Guild; Maui Brewing Co.; Kauai Beer Company; Kauai Island Brewing Company, LLC; Beer Lab Hawaii; Honolulu BeerWorks; Lanikai Brewing Company; REAL a gastropub; Waikiki Brewing Company; and Kona Brewing Co. Your Committee received comments on this measure from the Liquor Commission of the City and County of Honolulu.

Your Committee finds that the popularity of growlers, a type of container used to transport beer, continues to increase. Although growlers were originally made of glass, they are now made from a wider range of environmentally friendly reusable or recyclable materials. This measure reflects this change in container materials by defining growler as a recyclable or reusable container not to exceed one gallon.

Your Committee further finds that the State's craft breweries are increasing in number, through the addition of new start-up brewery businesses and the expansion of existing businesses. Breweries that have an initial or primary manufacturing premises may wish to expand to a new establishment, sometimes in another county. This measure addresses inconsistencies in existing law by allowing a satellite location, which may not be a manufacturing facility, to conduct activities such as dispensing and retail sales under the same trade name as the original licensee, under certain conditions. Your Committee notes that this measure still requires the satellite locations to be properly licensed. However, a satellite location would not be required to obtain a license to manufacture, if no manufacturing would be occurring at the second location. Rather, the second satellite location would be expected to hold a class license that reflects the business activities conducted at that location.

Your Committee additionally finds that existing law allows the direct shipment of wine. This measure achieves parity across all categories of beverage alcohol by permitting direct shipment of specified amounts of beer, spirits, and wine. Your Committee notes that start-up breweries and smaller craft breweries usually lack access to distributors who will export their beer out of the State. This measure therefore provides an opportunity for Hawaii's craft beer businesses to offer products through direct sales to new markets and a wider customer base.

Your Committee has amended this measure by:

- (1) Clarifying that a class 14 brewpub licensee or class 18 small craft producer pub licensee may conduct certain activities at satellite locations other than the licensee's primary manufacturing premises under certain conditions;
- (2) Clarifying that each licensee satellite location is under the jurisdiction of the county liquor department of the county in which the licensee satellite is located and specifying that the requirements of the liquor class for that location shall be in effect for the satellite licensed premises;
- (3) Clarifying that a class 18 small craft producer pub licensee is permitted to manufacture not more than one hundred twenty-five thousand, rather than one hundred thousand, barrels of malt beverages on the licensee's premises during the license year;
- (4) Changing its effective date to July 1, 2018; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2411, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2411, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 3513 Commerce, Consumer Protection, and Health on H.B. No. 2410

The purpose and intent of this measure is to permit brewpub and small craft producer pub licensees to allow minors, who are accompanied by a parent or legal guardian of legal drinking age, on the licensee's premises.

Your Committee received testimony in support of this measure from the Hawaiian Craft Brewers Guild; Maui Brewing Co.; Kauai Beer Company; Kauai Island Brewing Company, LLC; Beer Lab Hawaii; Honolulu BeerWorks; Lanikai Brewing Company; REAL a

gastropub; and Waikiki Brewing Company. Your Committee received comments on this measure from the Liquor Commission of the City and County of Honolulu.

Your Committee finds that brewpubs and small craft producer pubs are popular community gathering places where people can meet their family and friends. Your Committee further finds that brewpubs and small craft producer pubs are not intended to promote mass consumption of alcohol; rather, these establishments offer customers a comfortable place to taste craft beer. However, your Committee notes that although minors are allowed to be in some craft beer establishments with a parent or legal guardian of legal drinking age, this is not consistent throughout the State.

Your Committee additionally finds that breweries and brewpubs are a growing business sector in Hawaii, and restricting families from being together at a brewpub or producer pub reduces the number of customers visiting these local establishments. This measure therefore permits brewpub and small craft producer pub licensees to allow minors, accompanied by a parent or legal guardian of legal drinking age, on the licensee's premises, which will increase the ability of local residents and visitors to experience Hawaii's local breweries, expand brand recognition for these breweries, and increase the market for all Hawaii craft beer.

Your Committee has amended this measure by changing its effective date to July 1, 2018.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2410, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2410, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 3514 Judiciary on H.B. No. 1626

The purpose and intent of this measure is to:

- (1) Limit liability for volunteers and nonprofit organizations, nonprofit corporations, or other entities that provide volunteers, who maintain or repair cemetery grounds; and
- (2) Require the Director of Commerce and Consumer Affairs to, in consultation with the Comptroller, to develop strategies for the upkeep, repair, and maintenance of Sunset Memorial Park in Pearl City, Oahu, and report relevant findings and recommendations to the Legislature.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services, Department of Commerce and Consumer Affairs, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual.

Your Committee finds that Sunset Memorial Park in Pearl City, Oahu, has been neglected for years and has been the subject of numerous complaints related to issues surrounding the management and lack of maintenance at the cemetery. Although volunteers have expressed a strong willingness to assist with the upkeep, repair, and maintenance of Sunset Memorial Park, many are concerned about potential liability issues. Therefore, this measure is intended to encourage volunteers to maintain and repair Sunset Memorial Park without fear of liability resulting from their charitable activities.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1626, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3515 Ways and Means on H.B. No. 2175

The purpose and intent of this measure is to require that certain metropolitan planning organizations' policy boards include a member of the Senate and a member of the House of Representatives, both of whom shall be residents of the applicable metropolitan planning area.

Your Committee received written comments in support of this measure from the Department of Transportation.

Your Committee finds that legislative representation on a metropolitan planning organization's policy board will provide the board with valuable legislative guidance and perspective on transportation policy decisions.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2175, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10; Ayes with Reservations (Riviere). Noes, none. Excused, 1 (Harimoto).

SCRep. 3516 Ways and Means on H.B. No. 1653

The purpose and intent of this measure is to abolish the revolving funds for correctional facility stores account and transfer any remaining unencumbered balances to the administrator/inmate activity account trust account.

Your Committee received written comments in support of this measure from the Department of Public Safety.

Your Committee received written comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that since the store operations at the Halawa Correctional Facility, Waiawa Correctional Facility, and Oahu Community Correctional Facility are now maintained by Hawaii Correctional Industries, the revolving funds for correctional facility stores account is no longer needed and should be abolished.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1653, H.D. 2, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3517 Ways and Means on H.B. No. 2389

The purpose and intent of this measure is to facilitate the transition from prison upon discharge or parole for certain committed persons.

More specifically, this measure:

- (1) Requires that a committed person receive appropriate resource referrals as a prior condition to receiving any cash furnished by the Hawaii Paroling Authority;
- (2) Specifies that the moneys furnished by the Authority for discharged or paroled individuals shall be subject to the availability of legislative appropriations authorized and allocated for that purpose; and
- (3) Prohibits the Hawaii Paroling Authority from using any moneys that are appropriated to provide for the immediate needs of a discharged or paroled individual for any other purpose.

Your Committee received written comments in support of this measure from YWCA O'ahu, Community Alliance on Prisons, and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that appropriate resource referrals, in addition to a provision of moneys from the Hawaii Paroling Authority, may help to ensure that a discharged or paroled individual successfully transitions back into society.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2389, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2389, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3518 Ways and Means on H.B. No. 635

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist the Honolulu Board of Water Supply in upgrading Nuuanu reservoir #4 to meet dam safety standards, as a component of the Nuuanu hydroelectricity project.

Your Committee received written comments in support of this measure from the Board of Water Supply, One World One Water, Ulupono Initiative, Hawaii Community Foundation, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that Nuuanu reservoir #4 is an essential component of the Nuuanu hydroelectricity project, which will connect existing reservoirs in Nuuanu Valley to generate renewable hydroelectric energy, provide energy storage, and supplement usable groundwater supplies through the increase of groundwater recharge of captured stormwater.

Your Committee has amended this measure by:

- (1) Changing the date on which the authorization to issue special purpose revenue bonds shall lapse from June 30, 2022, to June 30, 2023;
- (2) Changing the date contained in the authorization provided to the Department of Budget and Finance to refund the special purpose revenue bonds authorized by this measure, to reflect the amended bond authorization lapse date; and
- (3) Making a technical nonsubstantive change for the purpose of style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 635, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 635, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3519 Ways and Means on H.B. No. 1830

The purpose and intent of this measure is to support the University of Hawaii's effort to create a sustainable means of financing energy efficiency and other sustainability initiatives at the university.

More specifically, this measure:

- (1) Authorizes the University of Hawaii green special fund to receive legislative appropriations;

- (2) Allows for the University of Hawaii green special fund to be used for, among other things, the planning, design, and implementation of energy efficiency, renewable energy, and energy conservation;
- (3) Authorizes the University of Hawaii to collect and transfer monetary savings realized from university energy efficiency, renewable energy, sustainability, and energy conservation projects;
- (4) Removes the requirement of legislative approval for any expenditure equal to or greater than \$167,000;
- (5) Authorizes the University of Hawaii to transfer other funds into the special fund to offset the costs and expenses associated with the university's energy efficiency, renewable energy, and energy conservation initiatives, in addition to sustainability initiatives; and
- (6) Requires legislative notification for any expenditures from the special fund.

Your Committee received written comments in support of this measure from the University of Hawaii System, Hawaii Energy, Ulupono Initiative, the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one concerned individual.

Your Committee finds that making certain changes to the administration of the University of Hawaii green special fund could be beneficial to the University.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1830, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1830, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3520 Judiciary on H.B. No. 2384

The purpose and intent of this measure is to amend the Uniform Controlled Substances Act to provide flexibility and clear guidance for practitioners who prescribe, administer, or dispense certain controlled substances for patients undergoing medically managed withdrawal or detoxification treatment.

Your Committee received testimony in support of this measure from the Department of Public Safety, Drug Policy Forum of Hawaii, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that this measure will permit registered medical practitioners to prescribe drugs including buprenorphine and naloxone for "medically managed withdrawal", also known as "detoxification treatment" and "maintenance treatment". This measure mirrors federal regulations regarding the ability of qualified practitioners to prescribe controlled substances for use as a medically managed withdrawal treatment subject to specific requirements that also mirror federal law.

Your Committee has amended this measure by:

- (1) Making it effective upon approval; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2384, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2384, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3521 Ways and Means on H.B. No. 634

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist the Honolulu Board of Water Supply in upgrading Nuuanu reservoir #1 to meet dam safety standards, as a component of the Nuuanu hydroelectricity project.

Your Committee received written comments in support of this measure from the Board of Water Supply, One World One Water, Ulupono Initiative, Hawaii Community Foundation, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that Nuuanu reservoir #1 is an essential component of the Nuuanu hydroelectricity project, which will connect existing reservoirs in Nuuanu Valley to generate renewable hydroelectric energy, provide energy storage, and supplement usable groundwater supplies through the increase of groundwater recharge of captured stormwater.

Your Committee has amended this measure by:

- (1) Changing the date on which the authorization to issue special purpose revenue bonds shall lapse from June 30, 2022, to June 30, 2023;
- (2) Changing the date contained in the authorization provided to the Department of Budget and Finance to refund the special purpose revenue bonds authorized by this measure, to reflect the amended bond authorization lapse date; and
- (3) Making a technical nonsubstantive change for the purpose of style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 634, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 634, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3522 Ways and Means on H.B. No. 1669

The purpose and intent of this measure is to authorize the State to award concession contracts under the request for proposals process based upon the best value standard, to allow consideration of each offeror's potential benefit to the general public.

Your Committee received written comments in support of this measure from the State Procurement Office.

Your Committee finds that authorizing the award of state concession contracts based upon best value will allow agencies to consider a variety of factors and potential benefits in evaluating contract bids.

Your Committee has amended this measure by making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1669, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1669, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3523 Ways and Means on H.B. No. 1767

The purpose and intent of this measure is to:

- (1) Prohibit the operation of vehicles, except low-range, four-wheel drive vehicles, in the Waipio Valley and the Mauna Kea Science Reserve; and
- (2) Exempt the weight of disability access modifications from the determination of net weight for non-commercial vehicles for the purposes of calculating the state and county motor vehicle weight tax.

Your Committee received written comments in support of this measure from the University of Hawaii System, Office of Maunakea Management; Hawaii County Council; Canada-France-Hawaii Telescope Corporation; Hawaii Island Chamber of Commerce; and Maunakea Observatories Support Services.

Your Committee received written comments on this measure from the Department of the Attorney General and the Office of Hawaiian Affairs.

Your Committee finds that:

- (1) Limiting vehicular access to the Waipio Valley and the Mauna Kea Science Reserve to low-range, four-wheel drive vehicles will increase visitor safety and reduce road maintenance costs; and
- (2) Excluding the weight of disability access modifications from the non-commercial vehicle net weight determination for the purposes of calculating the state and county motor vehicle weight tax will remove a deterrent to making those modifications and increase access to transportation for the disabled.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1767, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1767, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3524 Ways and Means on H.B. No. 2274

The purpose and intent of this measure is to increase the availability of electric vehicle supply equipment in the State.

More specifically, this measure:

- (1) Requires that certain parking facilities built after 2016 provide electric vehicle supply equipment in one parking space per one hundred parking spaces, with the number of required electric vehicle supply equipped parking spaces increasing to two parking spaces by July 1, 2021, and then to three by July 1, 2024;
- (2) In the context of electric vehicle parking requirements, changes the term "electric vehicle charging system" to "electric vehicle supply equipment";
- (3) Authorizes the Director of Transportation to fine properties that are not in compliance with the electric vehicle parking requirements;
- (4) Establishes a working group to address the installation of electric vehicle supply equipment and the feasibility of increasing the number of charging stations at Aloha Stadium; and

(5) Requires the working group to submit a report to the Legislature.

Your Committee received written comments in support of this measure from Ulupono Initiative, Organizing for Action, the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one concerned individual.

Your Committee received written comments in opposition to this measure from the Building Owners and Managers Association of Hawaii, and Hawaii Credit Union League.

Your Committee received written comments on this measure from the Department of Business, Economic Development, and Tourism; Legislative Reference Bureau; and Department of Transportation Services of the City and County of Honolulu.

Your Committee finds that the increasing number of electric vehicles in the State necessitates parking facilities that are equipped with charging stations.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2274, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2274, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3525 Ways and Means on H.B. No. 2454

The purpose and intent of this measure is to establish a correctional industries former inmate employment pilot project to provide full-time employment with the Hawaii correctional industries program for up to five former inmates to assist them with career advancement and developing job skills.

Your Committee received written comments in support of this measure from the Department of Public Safety, Office of Hawaiian Affairs, Community Alliance on Prisons, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that providing former inmates with employment and training will help them obtain gainful long-term employment, transition back into their communities as contributing members of society, and avoid recidivism.

Your Committee has amended this measure by:

- (1) Clarifying that the Department of Public Safety specify the data to be collected and request that service providers who work directly with the former inmates enrolled in the pilot project collect and submit the data to the department; and
- (2) Making a technical nonsubstantive amendment for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2454, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2454, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3526 Water and Land on Gov. Msg. No. 542

Recommending that the Senate advise and consent to the nomination of the following:

KANE'OHE BAY REGIONAL COUNCIL

G.M. No. 542 MAURICE RADKE, for a term to expire 06-30-2021

Your Committee reviewed the personal history, resume, and statement submitted by Maurice Radke for service on the Kane'ohē Bay Regional Council.

Your Committee received testimony in support of the nomination for the reappointment of Maurice Radke from the Department of Land and Natural Resources and one individual.

Upon review of the testimony, your Committee finds that Maurice Radke's background, experience, and proven leadership on the Kane'ohē Bay Regional Council qualify him to be nominated for reappointment to the Kane'ohē Bay Regional Council as a member representing the Kane'ohē Neighborhood Board. Your Committee notes that Mr. Radke currently serves as the Chairperson of the Kane'ohē Neighborhood Board, which is a seventeen-member board that represents 50,000 residents of the greater Kane'ohē area, and serves as the State Coordinator of the Salute Military Golf Association where he provides golf instruction to post-9/11, combat wounded military veterans. Mr. Radke previously served as a Principal Senior Advisor and Subject Matter Expert for Personnel Affairs for the United States Navy Pacific Fleet Headquarters where he advised the principal military commanders on all practices, policies, development, and training for the organization's personnel.

Your Committee further notes that as a member of the Kane'ohē Bay Regional Council, Mr. Radke had direct involvement with the designation of He'eia as a National Estuarine Research Reserve and was involved with protecting Kane'ohē Bay and curtailing commercial operations at the Bay. If appointed for a second term, the nominee hopes to be involved in updating the Kane'ohē Bay Master Plan. Testimony received in support of the nominee indicate that Mr. Radke's wealth of knowledge about the Kane'ohē area and his dedication to preserving and protecting the cultural and historical resources of the area are valuable assets for the Council.

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, 3. Noes, none. Excused, 2 (Gabbard, Inouye).

SCRep. 3527 Ways and Means on H.B. No. 2128

The purpose and intent of this measure is to clarify that clinical victim support services for victims of sexual violence and abuse are a mental health outpatient services benefit required to be covered under health insurance policies offered by health insurers, mutual benefit societies, fraternal benefit societies, and health maintenance organizations.

Your Committee received written comments in support of this measure from the Hawai'i State Commission on the Status of Women, Hawaii Psychological Association, Hawaii State Democratic Women's Caucus, YWCA O'ahu, Hawaii Children's Action Network, Planned Parenthood Votes Northwest and Hawaii, two employees of The Sex Abuse Treatment Center, IMUAlliance, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Filipina Advocacy Network, Hawaii Women's Coalition, Hawaii Medical Association, and five individuals.

The Insurance Commissioner of the Insurance Division of the Department of Commerce and Consumer Affairs, Board of Pharmacy, Hawaii Medical Service Association, and Kaiser Permanente submitted written comments on the measure.

Your Committee finds that this measure will help to provide greater access to mental health services for victims of sexual violence and abuse.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2128, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3528 Ways and Means on H.B. No. 2345

The purpose and intent of this measure is to clarify the powers of the Commissioner of Financial Institutions relating to money transmitters.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure will enhance the ability of the Commissioner of Financial Institutions to take appropriate action for violations of the Money Transmitters Act, deter noncompliance, and protect consumers.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2345, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3529 Ways and Means on H.B. No. 2114

The purpose and intent of this measure is to amend the law regarding collective bargaining in public employment.

Specifically, this measure provides that the implementation of management decisions affecting the terms and conditions of employment that are subject to collective bargaining is not precluded from collective bargaining negotiations.

Your Committee received written comments in support of this measure from the Hawaii Government Employees Association; AFL-CIO; United Public Workers; Hawaii State Teachers Association; University of Hawaii Professional Assembly; Hawaii Fire Fighters Association, Local 1463; and IMUAlliance.

Your Committee received written comments in opposition to this measure from the Department of the Prosecuting Attorney, City and County of Honolulu; and Hawaii Health Systems Corporation.

Your Committee finds that this measure expands the scope of collective bargaining between public sector employers and the exclusive representatives of public employees.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2114, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3530 Ways and Means on H.B. No. 2418

The purpose and intent of this measure is to authorize the expenditure of \$1,500,000, which was previously appropriated by Act 49, Session Laws of Hawaii 2017, to satisfy class counsel's attorney's fees in the case of E.R.K. v. Department of Education.

Your Committee received written comments in support of this measure from the Department of the Attorney General and Department of Education.

Your Committee finds that the expenditure of \$1,500,000 for the attorney's fees is reasonable.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2418, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3531 Ways and Means on H.B. No. 1770

The purpose and intent of this measure is to appropriate funds to the Department of the Prosecuting Attorney of the City and County of Honolulu for its Career Criminal Prosecution Unit.

Your Committee received written comments in support of this measure from the Department of the Prosecuting Attorney, City and County of Honolulu; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the funds appropriated by this measure will allow the Department of the Prosecuting Attorney of the City and County of Honolulu to continue operating its Career Criminal Prosecution Unit at its current capacity and caseload.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1770, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3532 Ways and Means on H.B. No. 1778

The purpose and intent of this measure is to improve firefighters' access to comprehensive medical coverage while addressing medical coverage for specific organs affected by diseases arising out of, and in the course of, their employment.

Your Committee received written comments in support of this measure from the State Fire Council; County of Hawaii, Mayor's Office; Hawaii Fire Department; Hawaii Fire Fighters Association, Local 1463; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

The Department of Labor and Industrial Relations submitted written comments on the measure.

Your Committee finds that this measure will help to ensure that firefighters receive proper medical treatment in a timely manner while reducing the emotional toil, financial burden, and impact of a decreased quality of life on firefighters diagnosed with cancer and their family members.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1778, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3533 Judiciary on H.B. No. 2385

The purpose and intent of this measure is to update the list of Schedule I controlled substances of the State's Uniform Controlled Substances Act and make it consistent with changes to the federal Controlled Substances Act.

Your Committee received testimony in support of this measure from the Department of Public Safety.

Your Committee finds that section 329-11, Hawaii Revised Statutes, provides that if a substance is added, deleted, or rescheduled under federal law, then the Department of Public Safety shall recommend to the Legislature that a corresponding change in Hawaii law be made. This measure will make the State's Uniform Controlled Substances Act, chapter 329, Hawaii Revised Statutes, consistent with changes to federal law as recommended by the Department of Public Safety.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2385, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3534 Ways and Means on H.B. No. 2072

The purpose and intent of this measure is to amend the offense of cruelty to animals in the second degree.

Specifically, this measure:

- (1) Prohibits certain restraints and tethers that endanger a dog; and
- (2) Authorizes the court to assess fines or order community service, mental health counseling, or animal abuse prevention classes in addition to or in lieu of the penalties for the offense.

Your Committee received written comments in support of this measure from The Humane Society of the United States, Hawaii Association of Animal Welfare Agencies, Hawaiian Humane Society, Keiko Conservation, TKO Rubbish & Recycling Equipment, and seventeen individuals.

Your Committee finds that the prohibitions and penalties established by this measure will help to promote more humane treatment of dogs and other animals.

Your Committee notes the request of The Humane Society of the United States in its written comments in support of this measure with respect to deletion of the words “or in lieu of” from the following amendment to section 711-1109(4), Hawaii Revised Statutes, in section 1 of the measure: “In addition to or in lieu of any penalty authorized for a person convicted of an offense under this section, the court may assess fines, order performance of community service, require mental health counseling, or order attendance at educational classes concerning animal abuse prevention.” Your Committee respectfully requests that this amendment be considered as the measure moves forward in the legislative process.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2072, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3535 Ways and Means on H.B. No. 1725

The purpose and intent of this measure is to streamline the flow of information between employees, exclusive representatives, and employers by requiring public employees subject to collective bargaining to provide written notification to the employee’s exclusive representative to discontinue the employee’s payroll assignments within a certain time period.

Your Committee received written comments in support of this measure from the Hawaii Government Employees Association, United Public Workers, and Hawaii State Teachers Association.

Your Committee received written comments on this measure from the Department of Accounting and General Services.

Your Committee finds that this measure will ensure an efficient and streamlined flow of information between public employees, exclusive representatives, and employers by creating a systematic process and timeline for public employees to discontinue a payroll assignment.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1725, H.D. 2, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3536 Ways and Means on H.B. No. 1726

The purpose and intent of this measure is to appropriate funds for collective bargaining cost items, salary adjustments, and other cost items for public employees in collective bargaining unit (14) and their excluded counterparts for fiscal biennium 2017-2019.

Your Committee received written comments in support of this measure from the Department of Budget and Finance, Hawaii Government Employees Association, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that negotiations with collective bargaining unit (14) are currently in progress and that this measure provides a legislative vehicle to appropriate necessary funds if an agreement is reached or an arbitration decision is rendered prior to the end of the 2018 Regular Session.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1726, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3537 Ways and Means on H.B. No. 2698

The purpose and intent of this measure is to appropriate moneys to honor the one hundredth anniversary of World War I with activities that commenced on April 2, 2017, and will end on November 11, 2018.

Your Committee received written comments in support of this measure from the Office of Veterans Services; American Legion Kau Tom Post 11; American Veterans Hawaii; Catholic War Veterans of the United States of America; Daughters of the American Revolution; Department of Hawaii, Veterans of Foreign Wars of the US; Hawaii Commandery of the Military Order of Foreign Wars; Hawaii Pacific University; Kanehili Cultural Hui; Military Order of the World Wars; Military Order of the World Wars, Gaylord Dillingham Chapter; National Trust for Historic Preservation; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Pacific Aviation Museum Pearl Harbor; Pacific Region AUSA; Sons of Confederate Veterans; 808 Cleanups; and thirteen individuals.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that honoring those who served in World War I, including those from Hawaii, will promote historical education and appreciation for veterans in the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2698, H.D. 3, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3538 Ways and Means on H.B. No. 2380

The purpose and intent of this measure is to:

- (1) Clarify that the leasing of fast lands and submerged lands is not restricted to the Ala Wai Small Boat Harbor; and
- (2) Recognize and address the risks of sea level rise.

More specifically, this measure:

- (1) Requires the Board of Land and Natural Resources to make a finding regarding certain sea level rise factors before leasing certain fast lands and submerged lands;
- (2) Allows for legislative authorization of leases upon a showing of extraordinary circumstances necessitating the lease; and
- (3) Repeals the fast lands and submerged lands lease requirements for the Ala Wai Small Boat Harbor.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee received written comments in opposition to this measure from one concerned individual.

Your Committee received written comments on this measure from one concerned individual.

Your Committee finds that leases of fast and submerged lands made pursuant to a request for proposals should be de-linked from the laws governing the lease of fast and submerged lands of the Ala Wai Small Boat Harbor. Further, your Committee believes that requiring the Board of Land and Natural Resources to make a finding regarding sea level rise is an appropriate way of recognizing and addressing the risks of sea level rise.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2380, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3539 Ways and Means on H.B. No. 2594

The purpose and intent of this measure is to provide funds for the Kaho'olawe Island Reserve Commission to effectively restore, preserve, and determine the appropriate uses of the Kaho'olawe Island Reserve.

Your Committee received written comments in support of this measure from the County of Maui; Kaho'olawe Island Reserve Commission; Activities of Kauai; Hawaiian Civic Club of Honolulu; Ocean Tourism Coalition; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and twenty individuals.

Your Committee received written comments in opposition to this measure from Center for Hawaiian Sovereignty Studies and one individual.

Your Committee finds that providing funds for the Kaho'olawe Island Reserve Commission will enable it to restore, preserve, and determine the appropriate uses of the Kaho'olawe Island Reserve for the people of Hawaii.

Your Committee has amended this measure by:

- (1) Changing the amounts appropriated to unspecified amounts; and
- (2) Changing the effective date to July 1, 2050,

to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2594, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2594, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3540 Ways and Means on H.B. No. 2559

The purpose and intent of this measure is to authorize the Department of Budget and Finance to issue special purpose revenue bonds to assist Spinlaunch Inc., in the development of an electrically powered, kinetic launch system that will transport small satellites into low Earth orbit.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and one concerned individual.

Your Committee received written comments in opposition to this measure from the Hawaii County Council, Big Island Fisheries Alliance, Hawaiian Ocean View Community, Hawaiian Ranchos Community Association, and thirty-two concerned individuals.

Your Committee received written comments on this measure from the Department of Budget and Finance and one concerned individual.

Your Committee finds that the development of a small satellite launch system in Hawaii could benefit the State's economy. Your Committee further finds that the construction of an electronically powered, kinetic launch system constitutes a project as defined in part V, Chapter 39A, Hawaii Revised Statutes, and the financing thereof is assistance to an industrial enterprise.

Your Committee has amended this measure to not specify where in the State the launch facility will be located.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2559, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2559, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Inouye, Riviere). Noes, none. Excused, 1 (Harimoto).

SCRep. 3541 Ways and Means on H.B. No. 2349

The purpose and intent of this measure is to authorize the issuance of citations for specific violations of the motor vehicle repair laws.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs and the Motor Vehicle Repair Industry Board.

Your Committee finds that this measure will curb violations and ensure swift compliance by licensees, and effectively allocate agency resources.

Your Committee has amended this measure by:

- (1) Correcting a reference to the type of certificate held by a dealer; and
- (2) Making a technical nonsubstantive change for the purpose of consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2349, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2349, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3542 Ways and Means on H.B. No. 2455

The purpose and intent of this measure is to make an emergency appropriation of \$150,000 to the Department of Business, Economic Development, and Tourism for gannenmono celebrations.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that the State should provide adequate and timely funding to celebrate the one hundred fiftieth anniversary of the arrival in Hawaii of the first group of organized Japanese immigrants, known as the gannenmono.

Your Committee has amended this measure by changing the appropriation from \$150,000 to an unspecified amount to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2455, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2455, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3543 Judiciary on H.B. No. 2118

The purpose and intent of this measure is to allow a condominium board to borrow money for the installation of equipment for the health and safety of residents, in the event of a government mandate to install such equipment, without the consent of owners where at least twenty percent of owners reside outside of the United States.

Your Committee received testimony in support of this measure from the Hawaii State Fire Council, Honolulu Fire Department, Hawaii Council of Associations of Apartment Owners, Associa Hawaii, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received testimony in opposition to this measure from Hui 'Oia'i'o and two individuals.

Your Committee finds that automatic fire sprinkler systems have been proven to save lives and property and protect the environment. Death rates and property loss are substantially reduced when these systems are installed and properly maintained. Your Committee has heard testimony from the Hawaii State Fire Council expressing concern that many property owners reside in foreign countries and do not respond to requests from the condominium board regarding life safety issues. This measure will empower condominium boards to borrow money for the installation of equipment for the health and safety of residents even in situations when owners residing outside of the United States cannot be contacted or are unresponsive.

Your Committee has heard testimony expressing concerns that the provisions of this measure could potentially be abused by condominium boards to the detriment of unit owners and encourages your Committee on Conference, if it examines this measure, to consider adjusting the minimum percentage of owners who reside outside the United States from twenty percent to fifty percent.

Your Committee has amended this measure by inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2118, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2118, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3544 Judiciary on H.B. No. 2373

The purpose and intent of this measure is to authorize the Department of Health to disclose certain vital statistic records to Department program employees with the approval of the Department's institutional review committee.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii Primary Care Association, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that individuals have a significant privacy interest in their records that are held and maintained by the Department of Health. The State and, by extension, the Department of Health has an interest in conducting research using public health statistics, but this interest must be properly balanced against the significant privacy interests of the individuals whose records are used in the research. This measure will protect the privacy interest of individuals while allowing employees of the Department of Health to use vital statistics records for the purposes of research.

Your Committee has amended this measure by:

- (1) Clarifying that the information to be disclosed by the Department of Health may only be used for approved research purposes;
- (2) Requiring that the public health purpose for the approved research that outweighs the confidentiality interest of persons identified in the record must substantially outweigh that interest in order for information to be disclosed without informed consent;
- (3) Clarifying that information disclosed for approved research may only be re-disclosed if the record has been redacted of identifying personal information;
- (4) Defining "department" to mean "Department of Health";
- (5) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2373, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2373, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3545 Ways and Means on H.B. No. 2108

The purpose and intent of this measure is to extend the special purpose revenue bond authorization from June 30, 2018, to June 30, 2023, to assist Kaiuli Energy, LLC, with the financing of the planning, design, and construction of a seawater air conditioning district cooling facility and chilled water distribution system.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Organizing for Action, Ulupono Initiative, and 350Hawaii.org.

Your Committee finds that extending the special purpose revenue bond authorization period to facilitate Kaiuli Energy, LLC's development of a seawater air conditioning and water chilling facility will assist that project and help to save electricity, reduce water usage, and further the State's renewable energy goals.

Your Committee has amended this measure by changing the effective date from January 28, 2045, to June 29, 2018.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2108, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2108, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3546 Ways and Means on H.B. No. 2077

The purpose and intent of this measure is establish a public employees training program to improve and enhance state employees' understanding of their job duties.

This measure also allocates one percent of collective bargaining increases to the public employees training program.

Your Committee received written comments in support of this measure from the Judiciary and Hawaii Government Employees Association.

The Department of Budget and Finance submitted written comments on this measure.

Your Committee finds that providing continuing education to state employees will afford them with opportunities to maintain the knowledge, skills, and education necessary for the highest standards of professional conduct and performance in public service.

Your Committee has amended this measure by making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2077, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2077, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3547 Ways and Means on H.B. No. 1627

The purpose and intent of this measure is to encourage economic equality for persons with disabilities.

Specifically, this measure:

- (1) Repeals provisions that allow persons whose earning capacity is impaired by old age or physical or mental deficiency or injury to receive wages lower than the applicable minimum wage;
- (2) Requires the Department of Labor and Industrial Relations to submit annual reports to the Legislature relating to the sustainable employment of persons currently receiving subminimum wages and efforts to provide increased employment opportunities for those persons; and
- (3) Makes an appropriation for one full-time equivalent inspection and enforcement position within the Wage Standards Division of the Department of Labor and Industrial Relations.

Your Committee received written comments in support of this measure from the State Council on Developmental Disabilities; Hawai'i State Commission on the Status of Women; the legislative coordinator and five members of the Honolulu Chapter of the National Federation of the Blind of Hawaii; International Brotherhood of Electrical Workers Local Union 1260; Hawaii State Teachers Association; AFL-CIO; IMUAlliance; Hawaii Advocates for Consumer Rights; The Kupuna Caucus of the Democratic Party of Hawaii; National Association of Blind Students; Democratic Party of Hawaii, Hawaiian Affairs Caucus; Lanakila Pacific; Young Progressives Demanding Action - Hawaii; LGBT Caucus of the Democratic Party of Hawaii; Planned Parenthood Votes Northwest and Hawaii; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; National Down Syndrome Society; Rainbow Family 808; and forty-one individuals.

Your Committee received written comments on this measure from the Department of Labor and Industrial Relations and Hawaii Disability Rights Center.

Your Committee finds that persons with disabilities have the potential to succeed in integrated, meaningful, and competitive employment settings and deserve to be paid a fair wage for doing real work.

Your Committee has amended this measure by:

- (1) Removing the appropriation for one full-time equivalent inspection and enforcement position within the Wage Standards Division of the Department of Labor and Industrial Relations; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, style, and conformance with recommended drafting conventions.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1627, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1627, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3548 Ways and Means on H.B. No. 2419

The purpose and intent of this measure is to require the Department of Land and Natural Resources to create a strategic plan for the maintenance dredging of small boat harbors, channels, ramps, and other port infrastructure.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii and Ocean Tourism Coalition.

Your Committee received written comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that routine, maintenance dredging of small boat harbors and related infrastructure in the State will help to maintain those waterways and ensure that they are accessible and safe for marine vessels.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated to an unspecified amount to facilitate further discussion on this matter; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2419, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2419, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3549 Ways and Means on H.B. No. 1938

The purpose and intent of this measure is to increase the fine from not more than \$500 to not more than \$1,000 for passing or overtaking a school bus that is stopped on a state highway with its visual signals on.

Your Committee received written comments in support of this measure from the Department of Education.

Your Committee finds that increasing the fine for passing or overtaking a school bus that is stopped on a state highway with its visual signals on will reduce these violations and improve student safety.

Your Committee has amended this measure by changing the effective date from July 1, 2050, to upon approval.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1938, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1938, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3550 Ways and Means on H.B. No. 2336

The purpose and intent of this measure is to authorize the State and counties to make advance payments of their required contributions to the Employees' Retirement System.

Your Committee received written comments in support of this measure from the Department of Budget and Finance, Employees' Retirement System, and one individual.

Your Committee finds that advance payments of employer contributions will serve to reduce the system's unfunded liabilities over time.

Your Committee has amended this measure by:

- (1) Specifying the part and subpart of Chapter 88, Hawaii Revised Statutes, into which the new proposed section is to be added; and
- (2) Making a technical nonsubstantive change for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2336, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2336, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3551 Commerce, Consumer Protection, and Health on H.B. No. 2530

The purpose and intent of this measure is to:

- (1) Repeal language that requires the Department of Human Services to determine the amount of liability insurance coverage required to be obtained and maintained by child care providers; and
- (2) Amend Act 161, Session Laws of Hawaii 2017 (Act 161), by extending the deadline for the Department of Human Services to submit a report to the Legislature, amending the information to be included in the report, and extending the implementation and enforcement deadline for the liability insurance requirements until July 1, 2019.

Your Committee received testimony in support of this measure from the Department of Human Services, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Oahu Family Childcare Business Association, Keiki Ohana Daycare, and one individual.

Your Committee finds that the intent of Act 161 was to strengthen minimum standards on child care and improve the health and safety of children by requiring child care providers subject to regulation by the Department of Human Services (Department) to obtain and maintain liability insurance coverage. Your Committee further finds that some child care providers indicated to the Department that they were considering no longer registering with the Department or providing child care, as a result of Act 161's insurance requirements. According to the Department, there was a twelve percent decrease in the number of homes that were regulated by the Department between December 2016 and December 2017. The Department also testified that information obtained from other states that require liability insurance coverage indicated most states only require child care providers to produce evidence of insurance, rather than establishing minimum coverage requirements within child care regulatory requirements.

Your Committee finds that this measure removes the requirement that the Department determine the amount of liability insurance coverage required for child care providers, as the Department is not the appropriate entity to determine the amount of such coverage. This measure also provides the Department with additional time to submit a report to the Legislature regarding certain implementation and enforcement requirements under Act 161.

Your Committee has amended this measure by:

- (1) Removing the requirement for child care providers to disclose to each parent or guardian applying for child care at the child care facility a summary of information for liability insurance coverage;
- (2) Changing its effective date to upon approval; and

- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2530, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2530, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 3552 Commerce, Consumer Protection, and Health on H.B. No. 2202

The purpose and intent of this measure is to specify that a duly qualified physician or duly qualified surgeon selected and paid for by an employer to perform a medical examination on an employee, relating to a work injury under workers' compensation, shall be duly qualified to treat the injury being examined, possess medical malpractice insurance, and owe the same duty of care to the injured employee as to a traditional patient.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Hawaii Medical Association; Work Injury Medical Association of Hawaii; International Longshore and Warehouse Union, Local 142; and one individual. Your Committee received testimony in opposition to this measure from the Hawaiian Electric Company, Inc. Your Committee received comments on this measure from the Department of Labor and Industrial Relations and Department of Human Resources of the City and County of Honolulu.

Your Committee finds that existing workers' compensation law allows an employer to have a duly qualified physician or surgeon designated and paid for by the employer to conduct an independent medical examination on an injured employee. Your Committee further finds that independent medical evaluations are a central element of the workers' compensation process. Thus, the fairness and integrity of these examinations are of paramount importance. This measure therefore establishes essential criteria for those duly qualified physicians and surgeons who conduct independent medical examinations as part of the workers' compensation system.

Your Committee has amended this measure by:

- (1) Clarifying that a physician or surgeon selected and paid for by an employer to perform a medical examination on an employee shall be duly qualified;
- (2) Clarifying that the definition of "duly qualified" includes being appropriately licensed in the State, possessing medical malpractice insurance, and owing the same duty and standard of care to the injured employee as would be owed to a traditional patient, rather than meaning a doctor whose specialty is appropriate for the injury to be examined;
- (3) Inserting an effective date of July 1, 2055, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2202, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2202, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3553 Commerce, Consumer Protection, and Health on H.B. No. 1880

The purpose and intent of this measure is to:

- (1) Extend the sunset date of Act 65, Session Laws of Hawaii 2013, which provides a limited exemption to the licensing requirements for certain individuals in situations when a public utility must retain qualified individuals to work with high voltage (six hundred volts or higher) who are not licensed in the State but are otherwise deemed qualified by the public utility; and
- (2) Require the Departments of Labor and Industrial Relations and Business, Economic Development, and Tourism to submit reports to the Legislature regarding certain activities associated with qualified high voltage electrical contractors.

Your Committee received testimony in support of this measure from the Board of Electricians and Plumbers; Chamber of Commerce Hawaii; Hawaiian Electric Company, Inc.; and Land Use Research Foundation of Hawaii. Your Committee received testimony in opposition to this measure from the Department of Labor and Industrial Relations. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism and International Brotherhood of Electrical Workers, Local Union No. 1186, AFL-CIO.

Your Committee finds that, other than utility electrical workers, most in-state electrical workers are only experienced in low voltage, meaning one hundred twenty to four hundred eighty volts, work that is common in most residential homes and commercial buildings. Your Committee further finds that high voltage work requires additional skills, training, and experience with related tools and equipment that are gained through a specific apprenticeship program.

Your Committee additionally finds that, due to the lack of sufficient in-state high voltage electricians, splicers, and linemen, and to address the need of an electric utility to retain the services of individuals qualified to work with high voltage power lines, Act 65, Session Laws of Hawaii 2013 (Act 65), provides a limited exemption to the licensing requirements for certain individuals in situations when an electric utility must retain qualified individuals to work with high voltage (six hundred volts or higher) who are not licensed in the State but are otherwise deemed qualified by the electric utility. However, Act 65 sunsets on June 30, 2018. This measure therefore extends the sunset date of Act 65 for five years, to June 30, 2023, which ensures that electric utilities can continue to retain the services of qualified out-of-state high voltage workers if needed, who could safely assist the utility in activities including storm restorations,

complex and specialized maintenance, and emergency restorations that could potentially impact the health and safety of the State's residents.

Your Committee has heard the concerns that the Departments of Labor and Industrial Relations and Business, Economic Development, and Tourism do not collect and do not have the current capacity to provide the specific information requested by this measure. Your Committee understands these concerns and concludes that amendments to this measure are therefore necessary.

Your Committee has amended this measure by:

- (1) Specifying that the Board of Electricians and Plumbers, rather than the Departments of Labor and Industrial Relations and Business, Economic Development, and Tourism, shall submit reports to the Legislature;
- (2) Clarifying the contents of the reports to be submitted to the Legislature by the Board of Electricians and Plumbers;
- (3) Changing its effective date to June 29, 2018; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1880, H.D. 3, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1880, H.D. 3, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 3554 Judiciary on H.B. No. 1906

The purpose and intent of this measure is to make intentionally or knowingly causing bodily injury to certain health care workers a class C felony.

Your Committee received testimony in support of this measure from Kaiser Permanente Hawai'i; Healthcare Association of Hawaii; United Public Workers, AFSCME, Local 646, AFL-CIO; Hawaii Government Employees Association, AFSCME, Local 152; The Queen's Health Systems; Board of Nursing; Hawaii Primary Care Association; Hawaii Medical Association; Hilo Medical Center; Hawai'i Pacific Health; Hawaii Nurses Association, Office and Professional Employees International Union, Local 50; One Kalakaua Senior Living; and seventy-four individuals. Your Committee received testimony in opposition to this measure from the Office of the Public Defender.

Your Committee finds that violence against healthcare personnel appears to be on the rise. According to the United States Department of Labor, Bureau of Statistics, healthcare workers experience violent assaults at a rate four times higher than the national average. Your Committee further finds that, under section 707-711, Hawaii Revised Statutes, there are additional penalties for a defendant who "intentionally or knowingly causes bodily injury" to certain classes of workers, such as educational workers, employees of state-operated or state-contracted mental health facilities, firefighters, and emergency medical services providers. Although some healthcare workers fall within the category of emergency medical services providers, many do not. This measure will extend additional penalties to cover violence against all healthcare workers.

Your Committee has amended this measure by abbreviating the legislative findings.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1906, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1906, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Rhoads). Noes, none. Excused, 1 (Gabbard).

SCRep. 3555 (Joint) Judiciary and Ways and Means on H.B. No. 2097

The purpose and intent of this measure is to:

- (1) Require the Attorney General to defend any civil action or proceeding against a county and any person employed by the county to provide lifeguard services at a designated state beach park under an agreement between the State and the county; and
- (2) Appropriate funds to the Department of Land and Natural Resources to contract with the counties for county lifeguard services at designated state beach parks under an agreement between the State and a county.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Office of the Mayor of the County of Hawai'i; Honolulu Emergency Services Department; Ho'omanapono Political Action Committee; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and three individuals. Your Committees received comments on this measure from the Department of the Attorney General and Hawaii Association for Justice.

Your Committees find that the State contracts with the counties to provide lifeguards at various state beach parks. These lifeguards provide a valuable service as first responders to residents and tourists alike. Although existing law authorizes the Attorney General to defend county lifeguards posted at designated state beach parks and the respective county against lawsuits, this does not completely eliminate the risk borne by the lifeguards or the counties. This measure requires the State to more fully assume the risk of posting county lifeguards at designated state park beaches under agreements between the State and counties.

Your Committees have amended this measure by:

- (1) Abbreviating the legislative findings;

- (2) Removing redundant language;
- (3) Clarifying that the exemption from default judgement in section 662-16, Hawaii Revised Statutes, applies to all persons falling under that section of the Hawaii Revised Statutes instead of only to state employees;
- (4) Clarifying that the Department of the Attorney General is not required to defend a county from claims made against the county for the county's negligence or wrongful acts or omissions;
- (5) Inserting blank appropriation amounts in the appropriations to the Department of Land and Natural Resources to contract with the counties for county lifeguard services at designated state beach parks;
- (6) Inserting an effective date of July 1, 2035, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2097, H.D. 1, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 2097, H.D. 1, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

Ways and Means: Ayes, 7. Noes, none. Excused, 4 (Harimoto, Kahele, Kidani, Riviere).

SCRep. 3556 Transportation and Energy on H.B. No. 1864

The purpose and intent of this measure is to create a tax credit for ocean thermal energy conversion research and development facilities.

Your Committee received testimony in support of this measure from Organizing for Action, Sierra Club of Hawai'i, and one individual.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which deletes the contents of this measure and inserts language to:

- (1) Amend the criteria for when a variance application may be approved for a new single-family dwelling that does not include a solar water heater system; and
- (2) Add a definition for "renewable energy technology system" to section 196-6.5, Hawaii Revised Statutes.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Business, Economic Development, and Tourism; Hawai'i Energy; Blue Planet Foundation; Ulupono Initiative; Hawaii Solar Energy Association; Our Revolution Hawaii; Distributed Energy Resources Council of Hawaii; Environmental Caucus of the Democratic Party of Hawaii; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Young Progressives Demanding Action; and forty individuals. Your Committee received testimony in opposition to the proposed S.D. 1 from Hawai'i Gas and Land Use Research Foundation of Hawaii.

Your Committee finds that Act 204, Session Laws of Hawaii 2008, enacted a requirement that new single-family homes be built with a solar water heater in order to lower energy costs for consumers. This requirement, known as the "solar water heater mandate", provided for a variance process for certain single-family homes. However, your Committee notes that the variance process is being misused, particularly with respect to homes using demand water heater devices as an alternative, such that it is providing benefits to unintended beneficiaries, namely developers. Thus, some housekeeping amendments to the solar water heater mandate are necessary to better protect consumers.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Adding language which clarifies that the coordinator may exercise discretion in denying any variance application deemed incomplete or insufficient to satisfy certain criteria; and
- (2) Inserting an effective date of January 1, 2100.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1864, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1864, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3557 (Joint) Commerce, Consumer Protection, and Health and Human Services on H.B. No. 2369

The purpose and intent of this measure is to change the composition of the Policy Advisory Board for Elder Affairs by decreasing the number of members, specifying that ex officio members are nonvoting members, and revising the list of state agencies that provide representatives to serve as ex officio members.

Your Committees received testimony in support of this measure from the Policy Advisory Board for Elder Affairs and Executive Office on Aging.

Your Committees find that the Policy Advisory Board for Elder Affairs has a large number of ex officio members, many of whom are under the age of sixty, which makes it difficult for the Board to meet quorum and satisfy the statutory requirement that a majority of Board members be over sixty years old. Your Committees further find that although ex officio members of the Board are voting members, they are sometimes unable to attend Board meetings due to their primary job responsibilities and not as familiar as other members with aging issues. This measure changes the number of members and composition of the Board to improve the efficiency of

the Board and ensure that the decisions of the Board are better informed by members with first-hand experience, knowledge, interest, and expertise in aging issues.

Your Committees have amended this measure by:

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

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2369, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2369, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

SCRep. 3558 (Joint) Commerce, Consumer Protection, and Health and Judiciary on H.B. No. 2414

The purpose and intent of this measure is to require the liquor commissions to streamline procedures to provide for the issuance of temporary licenses for the sale of liquor for a period not to exceed one day for fundraising events by nonprofit organizations.

Your Committees received testimony in support of this measure from the Office of the Mayor, County of Maui; two councilmembers from the Maui County Council; and Aloha Society of Association Executives. Your Committees received testimony in opposition to this measure from the Chinatown Gateway Plaza Tenant Association and two individuals. Your Committees received comments on this measure from the Liquor Commission of the City and County of Honolulu.

Your Committees find that some nonprofit organizations have faced an extremely onerous process when attempting to obtain a one-day special liquor license for a fundraising event. Your Committees further find that applying the same liquor license procedures that are required of a commercial business to nonprofit organizations is unduly burdensome in time and money to the nonprofit organizations, many of whom operate on small budgets. Accordingly, this measure provides for reduced submission requirements for the issuance of temporary liquor licenses for fundraising events by nonprofit organizations, which will streamline the temporary license process and reduce the burden on nonprofit organizations.

Your Committees have amended this measure by:

- (1) Authorizing a nonprofit organization that has been issued a temporary liquor license for a fundraising event the ability to auction off, at a live or silent auction, liquor in sealed or covered containers or services that provide liquor;
- (2) Clarifying that nonprofit organizations mean those charitable organizations recognized under state or federal law and exempt from federal taxes under section 501(c)(3) of the Internal Revenue Code;
- (3) Changing its effective date to upon approval; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2414, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2414, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3559 Commerce, Consumer Protection, and Health on H.B. No. 2257

The purpose and intent of this measure is to:

- (1) Adopt certain provisions of the Uniform Regulation of Virtual Currency Businesses Act;
- (2) Extend the Money Transmitters Act to expressly apply to persons engaged in the transmission of virtual currency; and
- (3) Require a licensee dealing with virtual currency to provide a warning to a customer prior to entering into an agreement with the customer.

Your Committee received testimony in support of this measure from USD Mint, Inc. Your Committee received testimony in opposition to this measure from Blockweather Holdings, LLC, and two individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs; Commission to Promote Uniform Legislation; Coinbase, Inc.; Blackhawk Network; and one individual.

Your Committee finds that this measure combines two pathways to manage the virtual currency industry, including adopting certain provisions from the Uniform Law Commission's proposed model law, the Uniform Regulation of Virtual Currency Businesses Act (model law). The model law proposes a framework for regulating virtual currencies as a new regulatory scheme to be supervised and regulated by the Division of Financial Institutions of the Department of Commerce and Consumer Affairs. However, your Committee has heard the concerns that the model law establishes three tiers of licensure, including permitted unlicensed activity, which would leave consumers open to misconduct without regulatory recourse; contains many exemptions that create uncertainty regarding covered activities; requires reciprocity, which may result in unintended consequences, given the different licensure standards for virtual

currency among the states; and creates a new regulatory program, but does not provide any funds for staffing. Your Committee understands these concerns and notes that a different regulatory pathway for virtual currency, rather than the model act, may be more appropriate.

Your Committee further finds that this measure also extends the Money Transmitters Act to expressly apply to persons engaged in the transmission of virtual currency and provides a framework for the Division of Financial Institutions to regulate the still-emerging virtual currency industry, including establishing requirements for licensure, license renewal, examination, recordkeeping, reporting, prohibited practices, sanctions, and penalties. This measure also specifically authorizes the Division of Financial Institutions to accept like-kind virtual currency as permissible investments, which addresses the concerns raised by some virtual currency money transmitters that they are unable to hold cash and cash-like permissible investments to cover their virtual currency transactions, as currently required under the Money Transmitters Act. Your Committee concludes that extending the Money Transmitters Act to cover transmissions of virtual currency allows virtual currency companies to obtain licensure and operate in Hawaii, while also providing protections for consumers.

Your Committee has amended this measure by:

- (1) Deleting Part I of this measure, which would have adopted certain provisions of the Uniform Regulation of Virtual Currency Businesses Act;
- (2) Clarifying that the term “virtual currency” does not apply to gift certificates; store gift cards; general-use prepaid cards; or loyalty, award, or promotional gift cards;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2257, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2257, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

SCRep. 3560 Judiciary on H.B. No. 1614

The purpose and intent of this measure is to automatically impose a restraining order upon parties filing for annulment, divorce, or separation to:

- (1) Preserve the financial assets of the parties and their dependents; and
- (2) Maintain the current island of residence and school of enrollment of a minor child of the parties.

Your Committee received testimony in support of this measure from the Family Law Section of the Hawaii State Bar Association and two individuals. Your Committee received testimony in opposition to this measure from the Hawai'i State Commission on the Status of Women, Stop Abuse Campaign, and four individuals.

Your Committee finds that family court congestion can be reduced by providing for orders that automatically take effect when parties file for annulment, divorce, or separation. Automatically imposed restraining orders to preserve the financial assets of parties and their dependents will help to create a more level playing field for unrepresented parties, parties who are unfamiliar with the court system and unaware of their legal rights and obligations, and parties who have a significant disparity in finances and resources.

Your Committee notes that section 580-10, Hawaii Revised Statutes, provides for asset restraining orders on the motion of either party to a complaint. Your Committee encourages your Committee on Conference, if it considers this measure, to examine whether that provision of section 580-10, Hawaii Revised Statutes, should be repealed in light of the automatic restraining orders provided for in this measure.

Your Committee has amended this measure by:

- (1) Adding clarifying language to avoid confusion with an existing statute that already allows for asset restraining orders on the motion of either party to a complaint; and
- (2) Inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1614, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1614, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kim).

SCRep. 3561 Ways and Means on H.B. No. 1655

The purpose and intent of this measure is to improve the collection of general excise and use taxes.

More specifically, this measure clarifies that a person who sells or assists in the sale of tangible personal property on behalf of another person and who provides customer service, processes payments, and controls the fulfillment process is the seller of the property for general excise tax and use tax purposes.

Your Committee received testimony in support of this measure from the Department of Taxation and IMUAlliance.

Your Committee received testimony in opposition to this measure from Amazon, Internet Association, Internet Coalition, CompTIA, NetChoice, and TechNet.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that establishing a mechanism for imposing and collecting general excise and use taxes on third-party sales made through a marketplace facilitator, rather than attempting to collect taxes from numerous individual marketplace sellers, would improve efficiency.

Your Committee has amended this measure by:

- (1) Adding definitions for the terms “marketplace facilitator” and “referrer”;
- (2) Establishing reporting requirements and penalties for marketplace facilitators and referrers;
- (3) Adding a severability clause; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1655, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1655, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3562 (Joint) Education and Commerce, Consumer Protection, and Health on H.B. No. 2271

The purpose and intent of this measure is to clarify the provisions related to behavioral analysis services to students in public schools.

Your Committees received testimony in support of this measure from the Hawai‘i Association for Behavior Analysis, Alaka‘i Na Keiki, Autism Behavior Consulting Group Hawaii, Aloha Behavioral Associates, O‘ahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i, and numerous individuals. Your Committees received comments on this measure from the Department of Education, Department of Health, Department of Commerce and Consumer Affairs, Hawaii State Teachers Association, Hawai‘i Psychological Association, Hawaii Disability Rights Center, and three individuals.

Your Committees find that behavior analysis is the scientific study of principles of learning and behavior. The practice of behavior analysis includes the empirical identification of functional relations between behavior and environmental factors, known as functional assessment and analysis, as well as the use of contextual factors, motivating operations, antecedent stimuli, positive reinforcement, and other consequences to help people develop new behaviors, increase or decrease existing behaviors, and emit behaviors under specific environmental conditions. Because of the overall benefits of behavior analysis, many students enrolled in public schools would benefit from the expansion of behavior analysis services throughout Hawaii’s public school system, including but not limited to students with autism disorders.

Your Committees have amended this measure by:

- (1) Inserting the contents of S.B. No. 2496, S.D. 1 (Regular Session of 2018), that:
 - (A) Allows adults with autism spectrum disorders to receive appropriate applied behavior analysis treatment, while simultaneously providing safeguards for consumer protection;
 - (B) Exempts from the licensure requirement for behavior analysts certain individuals who implement applied behavior analysis services or plans to adult participants in the HCBS I/DD waiver program on or before January 1, 2024, or under the direction of a licensed behavior analyst or Hawaii-licensed psychologist; and
 - (C) Updates and standardizes the terminology used to refer to behavior analysts;
- (2) Inserting the contents of S.B. No. 2925, S.D. 1 (Regular Session of 2018), that:
 - (A) Clarifies the licensing exemptions for certain individuals under certain conditions who provide behavior analysis services; and
 - (B) Requires the Department of Education to create and implement a plan to provide Medicaid billable applied behavior analysis services to all students diagnosed with autism spectrum disorder within the Department;
- (3) Inserting the contents of H.B. No. 2657, H.D. 1, S.D. 1 (Regular Session of 2018), that:
 - (A) Clarifies and standardizes the terminology used to refer to behavior analysis and the practice of applied behavior analysis; and
 - (B) Broadens the exemption of certain individuals and licensed or credentialed practitioners practicing within their own recognized scopes of practice who are exempt from chapter 465D, Hawaii Revised Statutes, the behavior analysts law; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note that these amendments will provide your Committee on Conference with various options and tools it may need to craft a measure that will benefit students in public schools through the expansion of behavior analysis services throughout Hawaii’s public school system.

As affirmed by the records of votes of the members of your Committees on Education and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2271, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2271, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Tokuda).

SCRep. 3563 Ways and Means on H.B. No. 1570

The purpose and intent of this measure is to require lessors of rental motor vehicles to provide an option for renters of motor vehicles to make a voluntary contribution to the Department of Land and Natural Resources to help preserve and protect Hawaii's environment.

For purposes of a public hearing, your Committee circulated a proposed S.D. 1 (Proposed Draft) of the measure, and notified the public that your Committee would be accepting testimony on the Proposed Draft, which authorizes the Agribusiness Development Corporation to enter into contracts with private businesses to remove select municipal solid waste, glass, and food and green waste from the waste stream for use in other business sectors, provided that the contracts benefit agriculture and agriculture-related projects.

Your Committee received testimony in support of the Proposed Draft from the Hawaii Department of Agriculture, Agribusiness Development Corporation, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and the Hawaii Cattlemen's Council.

Testimony in opposition to the Proposed Draft was received from the City and County of Honolulu and League of Women Voters Hawaii.

Your Committee finds that the additional revenue source created by the H.D. 1 version of the measure will support the ability of the Department of Land and Natural Resources to carry out its mission to protect, conserve, and manage the State's limited natural resources. Accordingly, your Committee recommends passage of the H.D. 1 version of the measure rather than the Proposed Draft.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1570, H.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Inouye).

SCRep. 3564 Ways and Means on H.B. No. 2672

The purpose and intent of this measure is to amend the low income-household renters' income tax credit.

Specifically, the measure:

- (1) Expands eligibility for the low income-household renters' income tax credit based on adjusted gross income and filing status; and
- (2) Amends the definition of "adjusted gross income" to conform to the definition in the Internal Revenue Code.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, Americans for Democratic Action Hawaii, Catholic Charities Hawaii, Hawaii Alliance for Community-Based Economic Development, Hawaii Alliance for Progressive Action, Hawaii Appleseed Center for Law and Economic Justice, IMUAlliance, Hawaiian Community Assets, League of Women Voters Hawaii, LGBT Caucus of the Democratic Party of Hawaii, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Parents And Children Together, and eleven individuals.

Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that expanding the eligibility for the low income-household renters' income tax credit will provide much needed financial relief to low- and moderate- income families in the State.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2672, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2672, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Inouye).

SCRep. 3565 Ways and Means on H.B. No. 1474

The purpose and intent of this measure is to amend the industrial hemp pilot program.

Specifically, the measure:

- (1) Creates an industrial hemp pilot program special fund;
- (2) Provides that agricultural land used for cultivation of industrial hemp qualify for the minimum dedication period and be assessed at the lowest percentage of fair market value; and

(3) Limits industrial hemp cultivation to licensed owners, lessees, or occupiers of land within the state agricultural land district.

For purposes of a public hearing, your Committee circulated a proposed S.D. 1 (Proposed Draft) of the measure and notified the public that your Committee would be accepting testimony on the Proposed Draft that amends the measure by deleting the existing provisions and replaces its contents with language that appropriates moneys to the Department of Agriculture to host the 2020 State Agricultural and Rural Leaders Legislative Agricultural Chairs Summit.

Your Committee received written comments in support of the Proposed Draft from the Department of Agriculture; Hawaii Cattlemens Council; Hawaii Farm Bureau Federation; the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and the Ulupono Initiative.

Your Committee received written comments in opposition to the Proposed Draft from the League of Women Voters of Hawaii.

Your Committee finds that appropriating funds to the Department of Agriculture to host the 2020 State Agricultural and Rural Leaders Legislative Agricultural Chairs Summit will promote the development of solutions to address the State's agricultural challenges.

Your Committee has amended this measure by adopting the Proposed Draft.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1474, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1474, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Inouye).

SCRep. 3566 Ways and Means on H.B. No. 2304

The purpose and intent of this measure is to establish the industrial hemp special fund within the Department of Agriculture to deposit fees and expend funds necessary for the industrial hemp pilot program.

For purposes of a public hearing, your Committee circulated a proposed S.D. 1 (Proposed Draft) of the measure and notified the public that your Committee would be accepting testimony on the Proposed Draft, which amends the measure by deleting the existing provisions and replacing its contents with provisions to appropriate funds to the Department of Agriculture for capital improvement projects for the benefit of East Maui.

Your Committee received testimony in support of the Proposed Draft from the Department of Agriculture, Hawaii Farm Bureau Federation, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and Hawaii Cattlemen's Council,

Your Committee received testimony in opposition to the Proposed Draft from the League of Women Voters of Hawaii.

Your Committee finds that the funding provided by this measure will restore irrigation systems that have fallen into disrepair since the demise of plantation operations, thereby allowing for the continuation of agricultural operations critical for self-sufficiency and sustainability.

Your Committee has amended this measure by adopting the Proposed Draft with the following additional amendments:

- (1) Changing all amounts appropriated to unspecified sums; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

Should this measure go to Conference, your Committee respectfully requests that the Conference Committee consider appropriating the following amounts for the projects listed in this measure:

- (1) For the plans, design, and construction for irrigation and water delivery systems for agricultural enterprises and/or agricultural purposes in East Maui:
 - (A) \$1,000 for plans;
 - (B) \$1,000 for design; and
 - (C) \$1,498,000 for construction; and
- (2) For the plans, design, and construction for water systems in East Maui:
 - (A) \$500,000 for plans;
 - (B) \$500,000 for design; and
 - (C) \$2,000,000 for construction.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2304, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2304, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3567 Ways and Means on H.B. No. 207

The purpose and intent of this measure is to expand the income tax credit for low-income household renters.

For purposes of a public hearing, your Committee circulated a proposed S.D. 1 (Proposed Draft) of the measure and notified the public that your Committee would be accepting testimony on the Proposed Draft, which deletes the existing provisions of this measure and replaces its contents with provisions to:

- (1) Increase estate taxes for Hawaii net taxable estates valued at over \$10,000,000; and
- (2) Raise the conveyance tax rates for residential investment properties with a value of at least \$2,000,000.

Your Committee received testimony in support of the H.D. 2 version from IMUAlliance, Hawaiian Community Assets, and one individual.

Your Committee received written comments on the H.D. 2 version from Catholic Charities Hawaii.

Your Committee received testimony in support of the Proposed Draft from the Hawaii Appleseed Center for Law and Economic Justice, Hawaii Alliance for Progressive Action, and eight individuals.

Your Committee received testimony in opposition to the Proposed Draft from the Kohala Coast Resort Association, Hawaii Association of REALTORS, League of Women Voters of Hawaii, and The Chamber of Commerce Hawaii.

Your Committee received comments on the Proposed Draft from the Department of Taxation, Hawaii Housing Finance and Development Corporation, Tax Foundation of Hawaii, and Faith Action for Community Equity.

Your Committee finds that this measure will provide additional revenues to the State through the taxation of high-value estates and residential investment properties.

Your Committee has amended this measure by adopting the Proposed Draft and further amending the Proposed Draft by:

- (1) Clarifying that the increased conveyance tax rates do not apply to multi-family condominium units; and
- (2) Changing the date that the increased conveyance tax rates take effect from July 1, 2018, to January 1, 2019.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 207, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 207, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Riviere). Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3568 Ways and Means on H.B. No. 2432

The purpose and intent of this measure is to clarify the treatment of resort fees under the transient accommodations tax.

More specifically, this measure specifies that resort fees, which are any mandatory charges or surcharges imposed for the use of a transient accommodation's property, services, or amenities, are included in the gross rental proceeds amount upon which the transient accommodations tax is calculated.

For purposes of a public hearing, your Committee circulated a proposed S.D. 1 (Proposed Draft) of the measure and notified the public that your Committee would be accepting testimony on the Proposed Draft, which amends the measure by adding provisions to:

- (1) Amend the definition of "resort fee" to include fees, regardless of whether or not they are mandatory;
- (2) Rename "transient accommodations brokers" as "transient accommodations intermediaries" and include within the definition travel agencies, tour packagers, and wholesale travel companies, thereby making these entities subject to the transient accommodations tax;
- (3) Impose the transient accommodations tax on transient accommodations intermediaries who arrange transient accommodations at noncommissioned negotiated contract rates;
- (4) Clarify that the transient accommodations tax liability shall be apportioned between an operator and transient accommodations intermediary with respect to that person's respective portion of the gross proceeds;
- (5) Clarify that fees unrelated to transient accommodations are exempt from the definition of "gross rental" or "gross rental proceeds";
- (6) Exempt from the definition of "gross rental" or "gross rental proceeds" the amount of transient accommodations taxes that are visibly passed on to the customer by a transient accommodations intermediary;
- (7) Require transient accommodations intermediaries to register with the Director of Taxation and to pay a one-time \$15 fee;
- (8) Require operators, transient accommodations intermediaries, and plan managers to register the name and physical address of each place of business in the State that is subject to the transient accommodations tax; and
- (9) Require that transient accommodations intermediaries obtain prior consent from each of their operators and plan managers prior to registering their names and physical addresses with the Director of Taxation.

Your Committee received testimony in opposition to the Proposed Draft from the Hawaii Tourism Authority; Aqua-Aston Hospitality; Kohala Coast Resort Association; Andaz Maui at Wailea Resort; Expedia, Inc.; Land Use Research Foundation of Hawaii; Maui Hotel and Lodging Association; and Hawaii Lodging and Tourism Association.

Your Committee received comments on the Proposed Draft from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that, as transactions regarding the furnishing of transient accommodations are increasingly conducted over the Internet, a disparity in the tax treatment of certain entities involved in the furnishing of transient accommodations has arisen and resulted in the State not collecting the full amount of transient accommodations taxes from certain parties.

Your Committee has amended this measure by adopting the Proposed Draft and further amending the Proposed Draft by:

- (1) Amending the definition of “resort fee” to apply only to mandatory fees; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2432, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2432, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Inouye).

SCRep. 3569 (Joint) Higher Education and Water and Land and Ways and Means on H.B. No. 1985

The purpose and intent of this measure is to require the Board of Land and Natural Resources to provide an annual report to the Legislature with information regarding the value, current zoning, and status of resource value public lands held by the Department of Natural Land and Resources.

Prior to the hearing on this measure, your Committees posted and made available for public review a proposed S.D. 1, which, among other things:

- (1) Establishes the Mauna Kea Management Authority and membership of the Authority;
- (2) Establishes and specifies duties of the Mauna Kea Candidate Advisory Council;
- (3) Limits the number of telescopes that may be authorized on Mauna Kea;
- (4) Authorizes the renegotiation of leases, subleases, easements, permits, and licenses pertaining to Mauna Kea;
- (5) Requires that revenue derived from activities on Mauna Kea be shared with the Office of Hawaiian Affairs;
- (6) Excludes Mauna Kea lands from the definition of “public lands”;
- (7) Provides for free access to Mauna Kea for traditional cultural purposes;
- (8) Establishes police powers and provides for enforcement of laws on land under the jurisdiction of the Mauna Kea Management Authority; and
- (9) Appropriates funds for the Mauna Kea Management Authority.

Your Committees received testimony in support of the proposed S.D. 1 from the Office of Hawaiian Affairs; Hawaii Regional Council of Carpenters; Ho‘omanapono Political Action Committee; Ho‘omana Pono, LLC; O‘ahu County Committee on Legislative Priorities of the Democratic Party of Hawai‘i; and numerous individuals. Your Committees received testimony in opposition to the proposed S.D. 1 from the University of Hawai‘i System; Department of Land and Natural Resources; Office of the Mayor of the County of Hawai‘i; Maunakea Observatories; BIFA; Sierra Club, Moku Loa Group; League of Women Voters Hawaii; Kona-Kohala Chamber of Commerce; PUEO; Ohana Ho‘opakele; and numerous individuals. Your Committees received comments on the proposed S.D. 1 from the Department of the Attorney General, Department of Budget and Finance, and one individual.

Your Committees find that Mauna Kea is the most significant cultural and astronomical site in the world. The summit region of Mauna Kea is a spiritual and special place of significance that is home to cultural landscapes, fragile alpine habitats, historical and archaeological treasures, as well as endemic species found nowhere else on the planet. Since 1998, four audits by the State Auditor have been critical of the management, stewardship, and protection of Mauna Kea. Although significant changes have occurred on Mauna Kea since the 1998 audit, negative experiences over the past fifty years have eroded public confidence and demonstrated the critical need for fresh leadership centered on a new organizational structure, management system, and procedures.

Your Committees further find that there is a clear need for one entity to serve as a single focal point of management, responsibility, communication, and enforcement regarding Mauna Kea. This new entity will increase the accountability of all tenants on Mauna Kea and will ensure that each tenant is aware of its obligations and responsibilities. This entity will also provide the necessary stewardship for the sustainable use of Mauna Kea and the proper generation of revenue from that use. This entity will be headquartered on the island of Hawai‘i and will be recognized by the general public and the State as the single point of contact for Mauna Kea’s summit region.

Your Committees note that S.B. No. 3090, S.D. 2, Regular Session of 2018, served as the original conduit for the establishment of the Mauna Kea Management Authority. After several statewide community presentations where members of the public were able to voice their concerns, an effort was made to ensure that the latest iteration of this proposal addressed those concerns. Therefore, your Committees have amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Including the definition of “Mauna Kea lands” within the definition of “Mauna Kea” and further clarifying lands to be included in the definition of “Mauna Kea”;
- (2) Clarifying the chief legal officer and general counsel’s powers to include responsibility for the management of leases entered into by the Mauna Kea Management Authority;
- (3) Deleting all references to the ability of the Authority to sell Mauna Kea lands;

- (4) Expanding the membership of the Mauna Kea Candidate Advisory Council to include the Board of Land and Natural Resources Hawai'i island member;
- (5) Clarifying that the Chair of the Sierra Club, Moku Loa Group, rather than the President of the Sierra Club, Hawaii Island Chapter, be appointed to the Mauna Kea Candidate Advisory Council;
- (6) Deleting language that would have required the Department of Agriculture to establish reasonable criteria for the selection of a lessee where the intended use of the land is agriculture;
- (7) Inserting language that requires that an unspecified dollar amount from all receipts collected by the Mauna Kea Management Authority or University of Hawaii as a result of lease rent, fees, penalties, commercial activities, technology transfers, monetization of intellectual properties or discoveries, and other revenue sources, pertaining to the use of Mauna Kea lands shall be allocated to the Authority's community relations division for education, grants, and community benefits for native Hawaiian children and children that come primarily from underserved, rural, and financially challenged communities on Hawaii island;
- (8) Inserting language that requires that an unspecified percentage of all receipts collected by the Mauna Kea Management Authority or University of Hawaii as a result of lease rent, fees, penalties, commercial activities, technology transfers, monetization of intellectual properties or discoveries, and other revenue sources, pertaining to the use of Mauna Kea lands shall go to the Department of Hawaiian Home Lands; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education, Water and Land, and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1985, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1985, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the President and Chairs on behalf of the Committees.

Higher Education: Ayes, 3. Noes, none. Excused, 2 (Chang, Kim).

Water and Land: Ayes, 4; Ayes with Reservations (Gabbard, Riviere, Thielen). Noes, none. Excused, 1 (Inouye).

Ways and Means: Ayes, 8; Ayes with Reservations (Riviere, Shimabukuro). Noes, none. Excused, 3 (Galuteria, Harimoto, Inouye).

SCRep. 3570 Ways and Means on H.B. No. 2204

The purpose and intent of this measure is to establish a task force to revise the welfare payment structure to encourage welfare recipients to advance in their careers while retaining their welfare benefits.

This measure also reestablishes the exit and retention bonus program, which encourages welfare recipients to terminate their welfare benefits, obtain employment, and remain out of the welfare system.

Your Committee received written comments in support of this measure from the YWCA Oahu, Catholic Charities Hawaii, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Human Services.

Your Committee finds that providing incentives for welfare recipients to obtain employment and further their careers will reduce their reliance on public assistance and help those individuals become productive, contributing members of society.

Your Committee has amended this measure by making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2204, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2204, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3571 Ways and Means on H.B. No. 583

The purpose and intent of this measure is to appropriate moneys to the Hawaii Technology Development Corporation to pay for the Corporation's operational and administrative costs as it explores new sources of revenue.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Technology Development Corporation; Hawaii Food Industry Association; Chamber of Commerce Hawaii; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that with its lease agreement for the Manoa Innovation Center set to expire on July 1, 2018, the Hawaii Technology Development Corporation will lose a substantial source of revenue that the Corporation uses to fund half of its staff salaries and all of its discretionary program funding.

Your Committee notes that in Governor's Message No. 12, the Governor requested \$970,000 in general funds for the continuation of the Hawaii Technology Development Corporation's staff and business incubation services.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and

- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 583, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 583, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Harimoto, Kahele, Kidani).

SCRep. 3572 Ways and Means on H.B. No. 2656

The purpose and intent of this measure is to establish an income tax credit for small craft beer producers.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Chamber of Commerce Hawaii; Kauai Beer Company; Kauai Island Brewing Company; Beer Lab HI; Lanikai Brewing Company; Big Island Brewhaus; Maui Brewing Co.; Homebrew in Paradise, LLC; Broken Boundary Brewery, LLC; Waikiki Brewing Company; Hawaiian Craft Brewers Guild; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments in opposition to this measure from Hawaii Partnership to Prevent Underage Drinking; Kona Brewing Company; Hawaii Alcohol Policy Alliance; and two individuals.

Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee notes the Department of Taxation's position that it is able to implement this measure with current applicability to taxable years beginning after December 31, 2018. This will allow the Department of Taxation sufficient time to make the necessary form and computer system changes. Your Committee further notes that, according to the Department of Business, Economic Development, and Tourism, implementation of the process to monitor and certify the tax credit, at a minimum, would cost \$50,000 on a recurring basis.

Your Committee has amended this measure by:

- (1) Clarifying that, in the case of pass-through entities, distribution and share of the tax credit shall be determined in accordance with section 704(b) of the Internal Revenue Code;
- (2) Expanding the types of liquor licenses that qualify a taxpayer to claim the tax credit; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2656, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2656, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10; Ayes with Reservations (Inouye). Noes, none. Excused, 1 (Harimoto).

SCRep. 3573 Ways and Means on H.B. No. 2610

The purpose and intent of this measure is to appropriate moneys to the Hawaii Technology Development Corporation to continue its manufacturing grant program.

Your Committee received written comments in support of this measure from the Hawaii Technology Development Corporation; Hawaii Fish Company; Hawaii Food Industry Association; Hyperspective Studios, Inc.; KYD, Inc.; Hawaii Coffee Company; Oceanit Laboratories, Inc.; TeleVoice 2000; Chamber of Commerce Hawaii; Hawaii Farm Bureau Federation; Maui Chamber of Commerce; Aloha Shoyu Company, Ltd.; Makai Ocean Engineering, Inc.; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Kona Brewing Company; Larry Jeffs Farms; Meadow Gold Dairies; and two representatives of Maui Brewing Company.

Your Committee finds that the Hawaii Technology Development Corporation's manufacturing grant program plays an important role in supporting manufacturing in Hawaii.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2610, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2610, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3574 Ways and Means on H.B. No. 2259

The purpose and intent of this measure is to require the Department of Land and Natural Resources to accept applications for marine event permits up to one year in advance of the date of a proposed marine event.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Written comments in opposition were received from the Consumer Technology Association, Association of Unmanned Vehicle Systems International, and NetChoice.

Your Committee finds that the measure's permitting process for marine events, including regattas, marine parades, and surfing contests, will help to improve the planning of these events as well as promote greater safety for event organizers and participants.

Your Committee has amended this measure by:

- (1) Changing the effective date from December 24, 2088, to July 1, 2018; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2259, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2259, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3575 Ways and Means on H.B. No. 2099

The purpose and intent of this measure is to appropriate moneys for the Department of Agriculture to conduct a study on the creation of ag-tech zones within the City and County of Honolulu, specifically the Kalihi-Palama, Kaka'ako, and Moanalua areas.

Your Committee received written comments in support of this measure from the University of Hawaii; the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and two individuals.

Your Committee received written comments on this measure from the Department of Agriculture.

Your Committee finds that appropriating moneys to the Department of Agriculture to study the feasibility of creating ag-tech zones within the City and County of Honolulu will promote agricultural innovation on Oahu and diversify the State's agricultural systems.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2099, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2099, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3576 Ways and Means on H.B. No. 2007

The purpose and intent of this measure is to create equity among the types of aircraft in the State that are eligible for the aircraft service and maintenance facility general excise tax exemption by removing language that limits the definition of "aircraft" to craft with two or more jet engines.

Your Committee received written comments in support of this measure from Blue Hawaii Helicopters, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, SpeediShuttle Hawaii, Air Service Hawaii, and Maui Hotel & Lodging Association.

Your Committee received written comments in opposition to this measure from the Mayor of the County of Hawaii, Hawaii Island Coalition Malama Pono, and two individuals.

Your Committee received written comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, Hawaii Helicopters, and Straube's Aircraft Service, Inc.

Your Committee notes that the Department of Taxation has indicated that it would be able to administer section 237-24.9, Hawaii Revised Statutes, as revised by this measure, for taxable years beginning after December 31, 2018.

Your Committee further notes the concerns raised by the Mayor of the County of Hawaii, who opposed providing tax exemptions for helicopter tour companies. Specifically, the Mayor observed that helicopter tour companies have not indicated that this measure would contribute to industry growth by attracting new facilities to the State, nor did the companies suggest that they would use savings from the tax exemption to better accommodate residents living in tranquil rural areas affected by noise from helicopters flying over these areas.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making a technical nonsubstantive amendment to conform with recommended drafting conventions.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2007, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2007, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3577 Ways and Means on H.B. No. 2729

The purpose and intent of this measure is to facilitate the safe use of cannabis for medical purposes within the State.

Your Committee received written comments in support of this measure from the Hawaii Civil Rights Commission, Drug Policy Forum of Hawaii, Hawaii Educational Association for Licensed Therapeutic Healthcare, Kush Bottles Hawaii, Maui Grown Therapies, and two individuals.

Your Committee received written comments in opposition to this measure from the General Contractors Association of Hawaii.

Your Committee received comments on this measure from the Department of the Attorney General, Department of Health, and Department of Labor and Industrial Relations.

Your Committee believes that this measure will help qualifying patients access medical cannabis in a manner that maintains the integrity and safety of the medical cannabis distribution system established in Hawaii.

Your Committee has amended this measure by:

- (1) Correcting cross references to sections of the Hawaii Revised Statutes;
- (2) Requiring dispensaries to deny employment to any individual who has been convicted of murder in any degree; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2729, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2729, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3578 Ways and Means on H.B. No. 2161

The purpose and intent of this measure is to change the penalty that is imposed upon a vehicle inspection station for improper motor vehicle inspections from the revocation or suspension of the station's operating permit to a fine.

Your Committee received comments on this measure from the Department of Transportation.

Your Committee finds that revoking or suspending a vehicle inspection station's permit leads to unemployment for the employees of the station and shifts the consequences of noncompliance with inspection requirements from station owners or management to station employees, who may have little or no decision-making powers with respect to station operations.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2161, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2161, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3579 Ways and Means on H.B. No. 2601

The purpose and intent of this measure is to increase the rental motor vehicle surcharge for individuals without a valid Hawaii driver's license and use those revenues for road capacity projects to reduce traffic congestion in the county in which the rental motor vehicle is driven.

This measure also increases tour vehicle surcharges.

Your Committee received written comments in support of this measure from the Mayor of the County of Maui, Maui Metropolitan Planning Organization Policy Board, Maui Metropolitan Planning Organization, and Kihei Community Association.

Your Committee received written comments in opposition to this measure from Avis Budget Group, Enterprise Holdings, and Maui Hotel & Lodging Association.

The Department of the Attorney General, Department of Transportation, Department of Budget and Finance, Department of Taxation, Tax Foundation of Hawaii, and Maui Chamber of Commerce submitted written comments on this measure.

Your Committee finds that because users of rental motor vehicles contribute to traffic congestion, they should also contribute to projects to increase road capacity, which will help to alleviate traffic congestion and improve the experience of future visitors and the quality of life of residents.

Your Committee has amended this measure by:

- (1) Clarifying that the road capacity projects shall be for state highways and that expenditures of moneys for road capacity projects may include planning, design, and right-of-way acquisition; and
- (2) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2601, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2601, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3580 Ways and Means on H.B. No. 2556

The purpose and intent of this measure is to establish a program to provide financial and other assistance to Hawaii-based small businesses to optimize research and development and support commercialization activities.

Your Committee received written comments in support of this measure from Oceanit Laboratories, Inc.; Chamber of Commerce Hawaii; Navatek; Makai Ocean Engineering, Inc.; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and five individuals.

Your Committee received written comments on this measure from the Department of Budget and Finance and the Hawaii Technology Development Corporation.

Your Committee finds that this measure provides financial support for companies to accelerate commercialization of products, which in turn will create high-paying jobs and economic growth for the State.

Your Committee has amended this measure by:

- (1) Clarifying that the financial support provided by the research and development program shall be subject to available funds and for qualified Hawaii-based small businesses; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2556, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2556, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3581 Ways and Means on H.B. No. 1916

The purpose and intent of this measure is to require and appropriate moneys for the Executive Office on Aging to biennially update the state plan on Alzheimer's disease and related dementias.

Your Committee received written comments in support of this measure from Alzheimer's Association, Aloha Chapter; Manoa Cottage; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and eight individuals.

Your Committee finds that this measure will help the State's efforts to prepare for the expected increase in the number of individuals with Alzheimer's disease and related dementias.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1916, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1916, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3582 Ways and Means on H.B. No. 1958

The purpose and intent of this measure is to support the Hawaii Technology Development Corporation's Small Business Innovation Research Program.

Your Committee received written comments in support of this measure from the Hawaii Technology Development Corporation; Hyperspective Studios, Inc.; Oceanit Laboratories, Inc.; Aina Ho'okupu o Kilauea; Referentia Systems, Inc.; Hawaii Fish Company; RevaComm; Hawaii Evolutionary Development, LLC; Nest Egg Guru, Inc.; Kampachi Farms and The Ocean Stewards Institute; Marine Genetics; Nalu Scientific, LLC; Spectrum Photonics; Makai Ocean Engineering, Inc.; Hawaii Biotech, Inc; TeleVoice 2000; the Chamber of Commerce Hawaii; the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Kuehnl AgroSystems, Inc.; and one concerned individual.

Your Committee finds that continued support for the Hawaii Technology Development Corporation's Small Business Innovation Research Program will help to further develop the State's technology sector.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1958, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1958, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3583 Ways and Means on H.B. No. 2332

The purpose and intent of this measure is to amend the state low-income housing tax credit.

More specifically, this measure:

- (1) Specifies that certain provisions of the Internal Revenue Code related to at-risk rules and deductions and to passive activity loss do not apply with respect to claims for the state low-income housing tax credit; and
- (2) Caps the state low-income housing tax credit at fifty percent of the federal low-income housing tax credit.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Taxation; Hawaii Housing Finance and Development Corporation; InState Partners; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that this measure will make the state low-income housing tax credit accessible to more taxpayers, which may assist in reducing the shortage of affordable housing in Hawaii.

Your Committee has amended this measure by making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2332, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2332, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3584 Ways and Means on H.B. No. 2462

The purpose and intent of this measure is to establish a general excise tax exemption for the gross proceeds arising from the sale of farm equipment and machinery to certain producers of agricultural products.

Your Committee received written comments in support of this measure from the Department of Agriculture, Hawaii Aquaculture & Aquaponics Association, Hawaii Cattlemens Council, Hawaii Farm Bureau Federation, Land Use Research Foundation of Hawaii, Maui County Farm Bureau, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and a number of individuals.

Your Committee received written comments on this measure from the Department of Taxation.

Your Committee finds that this measure will provide tax relief to certain farmers from the overall costs of purchasing farm equipment and machinery.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2462, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2462, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3585 Ways and Means on H.B. No. 2703

The purpose and intent of this measure is to make it easier for the people of the State to obtain housing.

Specifically, this measure:

- (1) Allocates a portion of conveyance tax revenues to the rental assistance revolving fund to subsidize rents for persons who meet certain income requirements;
- (2) Increases the income tax credit for low-income renters to an unspecified amount; and
- (3) Converts the state earned income tax credit into a refundable tax credit and changes the amount of the credit to an unspecified percentage of the federal earned income tax credit.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, Americans for Democratic Action Hawaii, Hawaii Appleseed Center for Law and Economic Justice, Catholic Charities Hawaii, LGBT Caucus of the Democratic Party of Hawaii, League of Women Voters, Hawai'i Alliance for Community-Based Economic Development, IMUAlliance, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and sixteen individuals.

Your Committee received written comments in opposition to this measure from the Hawaii Association of REALTORS.

Your Committee received written comments on this measure from the Hawaii Housing Finance and Development Corporation, Department of Taxation, Community Alliance on Prisons, and Tax Foundation of Hawaii.

Your Committee finds that the tax code provides a mechanism to assist low-income residents secure housing without significantly impacting the State's fiscal status.

Your Committee notes the concerns expressed by the Department of Taxation that refundable tax credits often lead to improper claims and therefore create a potential for fraud, whereas nonrefundable tax credits limit the incentive for fraud because they only benefit taxpayers to the extent of their tax liability.

Your Committee has amended this measure by making a technical nonsubstantive change for the purpose of consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2703, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2703, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3586 Ways and Means on H.B. No. 2238

The purpose and intent of this measure is to appropriate funds for and require the Department of Education to establish the Safe Keiki Grant program to encourage public schools to prepare for emergencies and to award funds to qualified public schools to purchase necessities to enable students to remain at school shelters for forty-eight hours in the event of an emergency.

Your Committee received written comments in support of this measure from the Department of Education, the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and two individuals.

Your Committee finds that the confusion and fear caused by the recent false missile alert highlights the need to have facilities such as public schools serve as safe shelters for Hawaii's keiki during an actual emergency.

Your Committee has amended this measure by making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2238, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2238, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3587 Ways and Means on H.B. No. 2501

The purpose and intent of this measure is to codify and appropriate moneys for the Hawaii Community College Promise Program, which provides scholarships for the unmet direct cost needs of qualified students enrolled at any University of Hawaii community college campus.

Your Committee received written comments in support of this measure from the Department of Education, Kamehameha Schools, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Budget and Finance and the University of Hawaii System.

Your Committee finds that in light of the fact that moneys allocated for the Promise Program in the 2017 state budget helped provide scholarship opportunities to one thousand community college students, the permanent establishment of the program is warranted.

Your Committee has amended this measure by:

- (1) Replacing the Hawaii community college promise program special fund with a subaccount of the University's general fund; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2501, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2501, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3588 Ways and Means on H.B. No. 2626

The purpose and intent of this measure is to require the Department of Health to study the upgrade, conversion, or connection of cesspools statewide and create a cesspool conversion working group.

Your Committee received written comments in support of this measure from the Department of Health; City and County of Honolulu, Department of Environmental Services; County of Hawaii, Department of Environmental Management; County of Hawaii, Office of the Mayor; ILWU Local 142; and OCC Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that the contents of S.B. No. 2567, S.D. 2, H.D. 2 are a more appropriate approach to cesspool conversion and study.

Accordingly, your Committee has amended this measure by replacing its contents with the contents of S.B. No. 2567, S.D. 2, H.D. 2.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2626, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2626, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3589 Judiciary on H.B. No. 1489

The purpose and intent of this measure is to:

- (1) Prohibit discrimination on the basis of sex, including gender identity or expression, or sexual orientation, in any state educational program or activity, or in any educational program or activity that receives state financial assistance; and
- (2) Provide that any student of a state educational program or activity, or an educational program or activity that receives state financial assistance, may bring a civil action under chapter 368, Hawaii Revised Statutes, for gender discrimination.

Your Committee received testimony in support of this measure from the Hawai'i Civil Rights Commission, Hawai'i State Commission on the Status of Women, University of Hawai'i System, Hawaii Women's Coalition, Amnesty International Hawaii Chapter No. 449, American Civil Liberties Union of Hawai'i, Community Alliance on Prisons, Hawaii State Teachers Association, IMUAlliance, LGBT Caucus of the Democratic Party of Hawai'i, Hawai'i State Democratic Women's Caucus, Hawaii Children's Action Network, YWCA O'ahu, Planned Parenthood Votes Northwest and Hawaii, Americans for Democratic Action, Hawaii Women Lawyers, Domestic Violence Action Center, Filipina Advocacy Network, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and twenty-five individuals. Your Committee received comments on this measure from the Department of the Attorney General and Department of Education.

Your Committee finds that the University of Hawai'i's recent climate survey report underscored the importance of a state corollary to the Patsy Mink Equal Opportunity in Education Act (Title IX), by revealing the persistence of sex discrimination, including sexual harassment and violence, on Hawai'i's campuses. Under the federal courts' interpretation of Title IX, a student who is subject to sexual harassment has no claim for relief under Title IX absent a showing of "deliberate indifference". This is the federal standard applied to the abuse of prisoners, and it is far narrower than the standard applied in sexual harassment cases in an employment setting. This measure may strengthen protections and provide additional remedies for students in Hawaii who are or who may become victims of sex discrimination and sexual harassment.

Your Committee has amended this measure by:

- (1) Adding legislative findings to state that this measure is intended to be liberally construed, that it is not preempted by federal law, and that the Hawaii Civil Rights Commission (Commission) may need to address potential inconsistencies between federal and state law in the Commission's rulemaking;
- (2) Allowing limited sex-specific programs or activities in the context of social clubs, housing assignments, and athletic team participation as provided for in rules adopted by the Commission;
- (3) Limiting the remedies available in cases of discrimination in state educational programs and activities under chapter 368, Hawaii Revised Statutes, to equitable relief, reasonable attorneys' fees, and the costs of legal action;
- (4) Clarifying language related to non-preemption of civil legal actions by individuals for compensatory or punitive damages;
- (5) Establishing a statute of limitations for bringing a complaint for discrimination in state educational programs and activities of two years from the date of an alleged unlawful act;
- (6) Defining "commission" to mean the Hawaii Civil Rights Commission;
- (7) Requiring the Commission to submit a report to the Legislature prior to the Regular Sessions of 2019 and 2020 on the Commission's proposed rules, any public outreach activities, and any proposed legislation;
- (8) Inserting an effective date of January 1, 2020; provided that the rulemaking authority and reporting requirement of the Commission shall take effect on July 1, 2018; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3590 Judiciary on H.B. No. 1768

The purpose and intent of this measure is to permit public inspection and duplication of salary ranges, rather than exact compensation, for legislative employees.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO. Your Committee received testimony in opposition to this measure from the League of Women Voters and two individuals. Your Committee received comments on this measure from the Office of Information Practices, Civil Beat Law Center for the Public Interest, and Common Cause Hawaii.

Your Committee finds that transparency and accountability in the operation of government is in the public interest. Your Committee further finds that state employees have a reasonable privacy interest in their specific financial information. This measure will balance those interests by disclosing sufficient information for taxpayers to hold the government accountable for the manner in which their taxes are spent while not disclosing the exact salaries of state employees.

Your Committee has amended this measure by:

- (1) Permitting public inspection and duplication of salary ranges, rather than exact compensation, for all state employees covered by collective bargaining units under section 89-6, Hawaii Revised Statutes, rather than only bargaining unit (8);
- (2) Clarifying that persons employed for the purposes of assisting the legislature during regular sessions only are not "legislative employees" for the purposes of public record disclosure requirements; and
- (3) Inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1768, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1768, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Rhoads, Thielen). Noes, none. Excused, 1 (Gabbard).

SCRep. 3591 Judiciary on H.B. No. 2003

The purpose and intent of this measure is to allow a respondent who has a revoked driver's license to operate an employer's vehicle for no more than twelve hours or for the assigned specified hours of work; provided that the respondent's employer provides a sworn statement that the respondent is limited to driving for purposes of employment during the specified assigned hours of work.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that driving under the influence is a serious offense and there should be serious repercussions for driving under the influence, such as revoking a person's driver's license. However, some employees are required to drive their employer's vehicle for work and could lose their job if they are not allowed to drive a vehicle without an ignition interlock device. Persons who are required to drive an employer's vehicle for work may acquire a special permit for driving a vehicle for work purposes only, but this permit limits the amount of driving time to twelve hours per day. This measure allows permits to be issued for the specific hours worked instead of imposing an arbitrary twelve-hour limit.

Your Committee has amended this measure by inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2003, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2003, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3592 Judiciary on H.B. No. 2043

The purpose and intent of this measure is to:

- (1) Implement a sewer monitoring program that includes county inspections of sewer laterals connected to county sewers located on public or private property to detect leaks from laterals, saltwater infiltration, and inflow, after the property owner is provided written notice; and
- (2) Compel private property owners to inspect sewer laterals for leaks, saltwater infiltration, and inflow, and perform repairs as necessary.

Your Committee received testimony in support of this measure from the Department of Health, Department of Environmental Services of the City and County of Honolulu, and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the counties have broad powers to establish and maintain sewer works as part of the counties' responsibility to provide adequate sewage service to the public. Regular inspection and repairs are included in these broad powers. Your Committee further finds that the counties' ability to maintain sewer works is impaired when sewer laterals are located on private property because the counties do not have the explicit statutory authority to inspect and repair, or require necessary repairs, of lateral sewer lines on private property that are connected to county sewers. This measure will empower counties to inspect and require necessary repairs of sewer laterals that connect to county sewers, when those laterals are located on private property, after notice is provided to the property owner.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2043, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3593 Judiciary on H.B. No. 2215

The purpose and intent of this measure is to require the driver of a vehicle passing and overtaking a bicycle proceeding in the same direction to allow at least three feet of separation between the right side of the driver's vehicle and the left side of the bicyclist.

Your Committee received testimony in support of this measure from the Department of Transportation, Department of Transportation Services of the City and County of Honolulu, Hawaii Bicycling League, Hawai'i Public Health Institute, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Blue Planet Foundation, American Diabetes Foundation, Blue Zones Projects, Maui Bicycling League, AARP Hawaii, and seventeen individuals.

Your Committee finds that, although bicycling is a healthy activity that the State has made efforts to encourage, bicycling on roadways can be dangerous and numerous bicycling fatalities in Hawaii have resulted from bicycles being struck by passing motor vehicles. Your Committee notes that thirty-nine states and the District of Columbia have safe passing distance laws in place to reduce the number of injuries and fatalities to bicyclists and the percentage of bicyclists who feel threatened for personal safety when they ride. Enacting a safe passing distance law will be another step in promoting bicycling as a valid and safe mode of transportation as the State works to become a more bicycle-friendly place.

Your Committee notes that there are already ongoing bicycle safety measures underway in the City and County of Honolulu, such as dedicated bicycle lanes in areas of the urban core. A pilot program in the County of Kauai to evaluate the effectiveness of the proposed safe passing distance law will provide valuable insight in how to best implement the policy throughout the State.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language requiring the driver of a vehicle passing and overtaking a bicycle proceeding in the same direction to allow at least three feet of separation between the right side of the driver's vehicle and the left side of the bicyclist;
- (2) Inserting language establishing a two-year pilot program within a county consisting of two inhabited islands with the same substantive provisions; and
- (3) Requiring the Kauai Police Department to submit reports to the Legislature prior to the Regular Sessions of 2020 and 2021 on the implementation and results of the pilot program.

Your Committee notes that your Committee on Transportation and Energy received testimony in strong support from Kauai Path, Inc., and encourages the Kauai Police Department to collaborate with Kauai Path, Inc. on the reports to the Legislature regarding the implementation and results of the pilot program established by this measure, as amended.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2215, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2215, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3594 Judiciary on H.B. No. 2399

The purpose and intent of this measure is to amend the definition of "drug" in chapter 291E, Hawaii Revised Statutes, to include any substance that can impair the ability of a person to operate a vehicle safely.

Your Committee received testimony in support of this measure from the Department of Transportation, Honolulu Police Department, Maui Police Department, Coalition for a Drug-Free Hawaii, Mothers Against Drunk Driving Hawaii, Hawaii Strategic Highway Safety Plan, and five individuals. Your Committee received testimony in opposition to this measure from the Drug Policy Forum of Hawai'i and one individual. Your Committee received comments on this measure from one individual.

Your Committee finds that the definition of "drug" in chapter 291E, Hawaii Revised Statutes, includes only those substances listed in schedules I through IV of chapter 329, Hawaii Revised Statutes. As a result, individuals using emerging drugs or other psychoactive chemicals that have not been added to the controlled substance schedules cannot be prosecuted under existing law as being under the influence of "drugs". This measure will clarify the definition of "drug" in chapter 291E, Hawaii Revised Statutes, to include psychoactive chemical substances that do not appear on the controlled substance schedules.

Your Committee has amended this measure by:

- (1) Abbreviating the legislative findings;
- (2) Clarifying the definition of "drug" to include any non-controlled psychoactive chemical substance, excluding caffeine or nicotine, that alters brain function and results in significant change in perception, consciousness, or behavior; and
- (3) Inserting an effective date of July 1, 2035, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2399, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2399, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kim).

SCRep. 3595 Judiciary on H.B. No. 2589

The purpose and intent of this measure is to authorize the Department of Transportation to designate shoulder lanes upon which motorcycles are allowed to drive under certain conditions.

Your Committee received testimony in support of this measure from the Department of Transportation; Street Bikers United Hawaii; Street Bikers United Maui; Moped Doctors, Inc.; and thirty-nine individuals. Your Committee received testimony in opposition to this measure from the Honolulu Police Department and AAA Hawaii.

Your Committee finds that motorcycles have an increased risk of collision with automobiles because of their small size and difficulty to see. When collisions occur, motorcycle drivers and its passengers are at a substantially increased risk of serious injury or death because of the open and exposed nature of motorcycles. Your Committee further finds that many motorcycles rely on airflow to cool their engines and traffic congestion may result in overheating because of the stop-and-go traffic conditions. This measure will alleviate these increased risks to motorcycles and motorcycle drivers and passengers by allowing them to travel on roadway shoulders that have been designated by the Department of Transportation.

Your Committee has amended this measure by inserting an effective date of January 1, 2019, and a repeal date of June 30, 2020.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2589, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2589, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Rhoads). Noes, none. Excused, 1 (Gabbard).

SCRep. 3596 Commerce, Consumer Protection, and Health on H.B. No. 2435

The purpose and intent of this measure is to amend the definition of “rates” in Hawaii’s Motor Carrier Law to clarify that, for packages that include other services, “rates” only refers to charges for the provision of transportation by motor vehicle of passengers.

Your Committee received testimony in support of this measure from the Hawaii Transportation Association; Roberts Hawaii, Inc.; and The Maritime Group, LLC.

Your Committee finds that the Public Utilities Commission (Commission) regulates all chartered, franchised, certified, and registered public utility companies operating in the State, including motor vehicle carriers. Your Committee further finds that the Commission imposes tariffs on motor vehicle carriers for rates, fares, and charges. However, under the existing definition of “rates” in the Motor Carrier Law, the tariff is applied to non-transportation services and items, such as airfare, meals, and attraction admission fare, that are often included in package deals offered by a motor vehicle carrier. This measure therefore clarifies that the passenger tariffs rates filed are for transportation services only and exclude the provision of non-transportation items and ensures that the annual fee paid to the Commission based on a motor vehicle carrier’s gross revenues excludes the amounts received for these non-transportation items.

Your Committee has amended this measure by:

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

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2435, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2435, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chang, Ihara, Tokuda).

SCRep. 3597 (Joint) Water and Land and Ways and Means on H.B. No. 2073

The purpose and intent of this measure is to:

- (1) Establish the Kanoelehua Industrial Area and Banyan Drive region as a redevelopment district until June 30, 2028; and
- (2) Authorize a local redevelopment agency to contract with a developer for construction of non-residential uses on public land within the redevelopment district consisting of the Kanoelehua Industrial Area and Banyan Drive region.

Your Committees received testimony in support of this measure from the O’ahu County Committee on Legislative Priorities of the Democratic Party of Hawai’i and two individuals. Your Committees received testimony in opposition to this measure from the Department of Land and Natural Resources and League of Women Voters of Hawaii. Your Committees received comments on this measure from the Department of the Attorney General and Mayor of the County of Hawai’i.

Your Committees find that although the Banyan Drive region is the center of tourism in East Hawai’i of the County of Hawai’i, the region is underutilized and in disrepair. Furthermore, the Kanoelehua Industrial Area is well utilized, but the term leases of public lands that were issued in a two- or three-year period following the tsunami in 1960 are nearing expiration. Chapter 53, Hawaii Revised Statutes, authorizes a county council to create a local redevelopment agency for the county to undertake and carry out urban renewal projects and related activities authorized by law. This measure would provide redevelopment agencies the authority, subject to prior approvals by the applicable county, Governor, and Legislature, to negotiate a development agreement with a developer for commercial, business, or hotel or resort uses on public lands within a redevelopment district consisting of the Kanoelehua Industrial Area and Banyan Drive region.

Your Committees note the concerns raised by the Department of the Attorney General that the creation of a pilot redevelopment project for lands only within the Kanoelehua Industrial Area and Banyan Drive region, which are public land holdings of the Department of Land and Natural Resources, may be deemed to be special legislation and may violate article XI, section 5, of the Hawaii State Constitution. Your Committees believe that this issue merits further discussion as it moves through the legislative process.

As affirmed by the records of votes of the members of your Committees on Water and Land and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2073, H.D. 1, S.D. 1, and recommend that it pass Third Reading.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 4; Ayes with Reservations (Thielen). Noes, none. Excused, 1 (Inouye).

Ways and Means: Ayes, 8; Ayes with Reservations (Kidani). Noes, none. Excused, 3 (Harimoto, Inouye, Wakai).

SCRep. 3598 (Joint) Judiciary and Ways and Means on H.B. No. 2299

The purpose and intent of this measure is to facilitate the process by which the University of Hawai'i obtains approval to indemnify, defend, and hold harmless a county agency, its officers, agents, and employees for university purposes and university functions on county property.

Your Committees received testimony in support of this measure from the University of Hawai'i System.

Your Committees find that the University of Hawai'i campuses frequently use county parks and other facilities for university purposes and functions, such as physical education classes, athletic events, and graduation events. The current procedure for the University of Hawai'i to obtain approval from the Governor to indemnify a county for using a county facility for university purposes is unnecessarily burdensome. Your Committees further find that, as a semi-autonomous agency, the University of Hawai'i has its own risk management program that finances its liabilities through a combination of self-insurance and commercial insurance. This measure allows the University of Hawai'i to no longer need to engage in the lengthy and unnecessary approval process to support day-to-day operational transactions when the University uses county property, under certain conditions.

Your Committees have amended this measure by inserting an effective date of July 1, 2525, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2299, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 2299, H.D. 1, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

Ways and Means: Ayes, 8. Noes, none. Excused, 3 (Harimoto, Kahele, Riviere).

SCRep. 3599 (Joint) Judiciary and Ways and Means on H.B. No. 2528

The purpose and intent of this measure is to:

- (1) Expand criminal history checks to adult relatives who provide care for a child whose family receives child care subsidies from the Department of Human Services in a regulated child care setting;
- (2) Clarify the release of investigation information to the public;
- (3) Clarify that the child care licensing program may share information and cooperate with child protective services and law enforcement on investigations; and
- (4) Clarify that the Department of Human Services may take administrative action, judicial action, or both, to enforce child care licensing provisions and increase penalties by making them apply on a daily basis.

Your Committees received testimony in support of this measure from the Department of Human Services and two individuals.

Your Committees find that parents and guardians rely on child care providers to ensure the safety and well-being of their child. However, recent events involving injuries and deaths have revealed the need for the Department of Human Services to enforce transparency measures for the safety of children in certain child care settings. Your Committees further find that the Department of Human Services already conducts comprehensive background checks of persons who receive a child care subsidy. This measure expands those checks to relatives who may also provide care for such children, increases transparency in investigations once disclosure can no longer affect the outcome of legal proceedings, and provides additional tools to the Department to enforce violations quickly and with increased penalties to more efficiently stop, deter, and prevent persons from engaging in illegal child care.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2525, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2528, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 2528, H.D. 1, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Judiciary: Ayes, 4. Noes, none. Excused, 1 (Gabbard).

Ways and Means: Ayes, 9. Noes, none. Excused, 2 (Harimoto, Riviere).

SCRep. 3600 Ways and Means on H.B. No. 2176

The purpose and intent of this measure is to appropriate funds for alternative learning centers and alternative learning schools to provide education to juveniles involved in the justice system or at high-risk of involvement in the justice system.

Your Committee received written comments in support of this measure from the Judiciary, City and County of Honolulu Department of the Prosecuting Attorney, County of Kauai Office of the Prosecuting Attorney, Chamber of Commerce Hawaii, Adult Friends for

Youth, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Hawaii Lodging & Tourism Association, and one individual.

Your Committee finds that alternative learning helps to divert at-risk youth away from the adult criminal justice system by providing flexible curriculum, experienced teachers, and individualized learning goals, thus maximizing each youth's chances of developing into a healthy and contributing member of society.

Your Committee has amended this measure by making a technical nonsubstantive change for the purposes of consistency and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2176, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2176, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3601 Ways and Means on H.B. No. 2172

The purpose and intent of this measure is to foster innovation and increase revenue-generating opportunities in public higher education.

Specifically, this measure:

- (1) Establishes and appropriates funds for an Office of Strategic Partnerships at the University of Hawaii to coordinate and manage public-private partnerships; and
- (2) Establishes a five-year University of Hawaii public-private partnership pilot project to allow the University of Hawaii to enter into public-private partnerships under certain conditions.

Your Committee received written comments in support of this measure from the University of Hawaii System, Ulupono Initiative, and Ho'omanapono Political Action Committee.

Your Committee received written comments in opposition to this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee received written comments on this measure from one individual.

Your Committee finds that colleges and universities across the United States have used public-private partnerships to provide a combination of financing, construction, or ongoing maintenance for projects in student housing, physical plant infrastructure, and facility maintenance. Accordingly, facilitating public-private partnerships at the University of Hawaii may benefit the university, its students, and the State as a whole.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2172, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2172, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3602 Ways and Means on H.B. No. 2117

The purpose and intent of this measure is to limit the number of standardized tests that students must take each school year, and require the Department of Education to conduct a survey of school administrators and teachers regarding the time spent on standardized testing preparation and how this time diversion affects the quality of instruction.

Your Committee received written comments in support of this measure from the Hawaii State Teachers Association, IMUAlliance, Parents for Public Schools of Hawai'i, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments in opposition to this measure from the Department of Education.

Your Committee received written comments on this measure from the Department of the Attorney General.

Your Committee finds that student achievement will be improved by: limiting the number of standardized tests that students must take every year; and studying the effects of preparation time for standardized tests on the quality of instruction.

Your Committee has amended this measure by amending the definition of "standardized test" to exclude tests that are required under the federal Every Student Succeeds Act, as described in the Hawaii Consolidated State Plan.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2117, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2117, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3603 Ways and Means on H.B. No. 2110

The purpose and intent of this measure is to encourage and facilitate the development and use of microgrids in the State through the establishment of a standard microgrid services tariff.

Your Committee received written comments in support of this measure from the Blue Planet Foundation; Distributed Energy Resources Council; Electricity Working Group Hawaii Energy Policy Forum; Hawaiian Electric Company, Inc.; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Organizing for Action; Sierra Student Coalition; Ulupono Initiative; Young Progressives Demanding Action; 350Hawaii.org; and four individuals.

Your Committee received written comments in opposition to this measure from the Kauai Island Utility Cooperative.

Your Committee received written comments on this measure from the Division of Consumer Advocacy.

Your Committee finds that supporting the development and use of microgrids in the State by establishing a microgrid services tariff will promote the generation of resilient, reliable power and support the State's energy goals.

Your Committee has amended this measure by:

- (1) Deleting language that exempted certain microgrid projects from regulation as a public utility;
- (2) Inserting language that recognizes the Natural Energy Laboratory of Hawaii Authority as having the potential to operate a microgrid and specifies that the Authority may be designated as the first microgrid demonstration project after the microgrid services tariff is established;
- (3) Clarifying that municipal utility cooperatives are not subject to the microgrid services tariff;
- (4) Changing the effective date from July 1, 2050, to July 1, 2018; and
- (5) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2110, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2110, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3604 Ways and Means on H.B. No. 2306

The purpose and intent of this measure is to amend Act 183, Session Laws of Hawaii 2017, to deposit moneys from the general revenues of the State of Hawaii into the food safety certification costs grant program special fund and to appropriate funds from that special fund for the corresponding program.

Your Committee received written comments in support of this measure from the Department of Agriculture, Ulupono Initiative, Hawaii Farm Bureau Federation, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that amendments made to Act 183, Session Laws of Hawaii 2017, by this measure will authorize the transfer of moneys necessary to fund the food safety certification costs grant program for the 2018-2019 fiscal year.

Your Committee has amended this measure by:

- (1) Clarifying that only remaining unencumbered balances in the food safety certification costs grant program special fund on June 30, 2019, shall lapse to the credit of the general fund;
- (2) Changing the amounts appropriated to unspecified amounts; and
- (3) Making a technical nonsubstantive amendment for the purpose of consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2306, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2306, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Harimoto, Kahele, Kidani).

SCRep. 3605 Ways and Means on H.B. No. 2300

The purpose and intent of this measure is to require the University of Hawaii to report certain transfers of appropriated moneys and positions to the Legislature within thirty days of each transfer.

Your Committee received written comments in opposition to this measure from the University of Hawaii System.

Your Committee finds that this measure will increase fiscal transparency without impeding the university's financial flexibility.

Your Committee has amended this measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2300, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2300, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3606 Ways and Means on H.B. No. 2277

The purpose and intent of this measure is to establish a five-year pilot project within the Department of Human Services to ensure the safety and well-being of at-risk children and families in east Hawaii on Hawaii island.

Your Committee received written comments in support of this measure from the Judiciary; Department of Human Services; Office of the Mayor, County of Hawaii; two members of the Hawaii County Council; Catholic Charities Hawaii; East Hawaii Friends of Foster Families; Family Programs Hawaii; Hawaii Appleseed Center for Law & Economic Justice; Hawaii Children's Action Network; Hawaii Family Forum; Hawaii Government Employees Association; National Federation of the Blind of Hawaii; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Winners' Camp Foundation; and numerous individuals.

Your Committee received written comments on this measure from Friends of the Children's Justice Center of East Hawaii.

Your Committee finds that this measure will assist the east Hawaii Child Welfare Services Section of the Department of Human Services on Hawaii island with the unique challenges it faces in protecting vulnerable children who have been abused or neglected or who are at high risk for abuse or neglect.

Your Committee has amended this measure by:

- (1) Deleting the addition of fifteen support staff positions and the corresponding appropriation from the measure;
- (2) Clarifying that the practice of limiting the number of children supervised by each east Hawaii Child Welfare Services Section social worker to twenty or fewer shall commence no later than six months after the commencement of the pilot project;
- (3) Requiring the Department of Human Services to submit additional reports to the Legislature no later than twenty days prior to each of the Regular Sessions of 2024 and 2025;
- (4) Inserting an additional appropriation of an unspecified sum to the Judiciary for the costs of appointing additional guardians ad litem for minors and court-appointed legal counsel for parents of minors in child welfare cases in the Third Circuit;
- (5) Changing the appropriation for the pilot project from \$2,633,231 to an unspecified amount to facilitate further discussion on the measure; and
- (6) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

Your Committee notes that the Judiciary anticipates the need for \$185,760 to cover the costs of appointing guardians ad litem and court-appointed legal counsel in child welfare cases in the next budget period. Your Committee recognizes that child welfare cases normally continue for three to four years, and that with each year that passes, the Judiciary will need additional funding to pay for guardians ad litem and court-appointed legal counsel assigned in those cases.

Your Committee also notes the observation of East Hawaii Friends of Foster Families, that, as the measure is amended, the Department of Human Services would need only \$660,000 for staffing and \$250,000 for administrative costs, or a total of \$910,000 for the implementation of the pilot project.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2277, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2277, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3607 Ways and Means on H.B. No. 2249

The purpose and intent of this measure is to create and appropriate moneys for a Homeland Security and Resiliency Council, which shall identify electric grid and other critical infrastructure needs and provide recommendations for enhancing grid and critical infrastructure resiliency throughout the State.

Your Committee received written comments in support of this measure from 350Hawaii.org; Hawaiian Electric Company, Inc.; Land Use Research Foundation of Hawaii; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Organizing for Action; Ulupono Initiative; Young Brothers, Limited; and two individuals.

Your Committee received written comments on this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure will help ensure that the State is prepared to protect residents and critical infrastructure during natural disasters and other emergencies.

Your Committee has amended this measure by:

- (1) Adding a provision that the President of the Senate and the Speaker of the House of Representatives jointly invite a representative of the regulated interisland water carrier serving all islands to serve as one of the members of the Homeland Security and Resiliency Council; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2249, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2249, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3608 Ways and Means on H.B. No. 2182

The purpose and intent of this measure is to repeal Act 33, Session Laws of Hawaii 2017, which established the Carbon Farming Task Force, and create the Greenhouse Gas Sequestration Task Force, which will examine opportunities to utilize carbon sequestration to protect public health and help align the State's clean energy and carbon sequestration goals with the State's climate goals.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; Blue Planet Foundation; Elemental Excelerator; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Organizing for Action; 350Hawaii.org; and three individuals.

Your Committee received written comments in opposition to this measure from two individuals.

Your Committee received written comments on this measure from the Department of Agriculture; Department of Business, Economic Development, and Tourism; Office of Planning; Hawaii Cattlemens Council; Hawaii Farm Bureau Federation; and Land Use Research Foundation of Hawaii.

Your Committee finds that creating the Greenhouse Gas Sequestration Task Force to facilitate carbon sequestration and help streamline the State's climate mitigation and adaptation efforts will assist the State in meeting its clean energy and climate goals.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$150,000 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2182, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2182, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3609 Ways and Means on H.B. No. 2178

The purpose and intent of this measure is to increase the amount of the cash or protest bond that must be posted by a party initiating a procurement award protest for a contract valued at \$1,000,000 or more.

Your Committee received written comments in support of this measure from the State Procurement Office, the Department of Accounting and General Services, the Department of Transportation, and Roberts Hawaii.

Your Committee received written comments in opposition to this measure from one concerned individual.

Your Committee received written comments on this measure from the Department of the Attorney General.

Your Committee finds that increasing the amount of a cash or protest bond that must be posted by a party initiating a procurement award protest could effectively deter the filing of frivolous protests, thus decreasing delays in the bid process for procurement contracts.

Your Committee has amended this measure by:

- (1) Changing the percentage of the estimated value of a contract that must be equaled by a cash or protest bond from five percent back to one-half percent; and
- (2) Changing the maximum required amount of a cash or protest bond from \$10,000,000 to \$25,000.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2178, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2178, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3610 Ways and Means on H.B. No. 1874

The purpose and intent of this measure is to encourage the use of alternative dispute resolution for condominium-related disputes.

Your Committee received written comments on this measure from the Department of Commerce and Consumer Affairs Real Estate Commission.

Your Committee finds that alternative dispute resolution is an effective and appropriate method of resolving condominium-related disputes and could benefit parties to these types of disputes.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1874, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1874, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3611 Ways and Means on H.B. No. 1718

The purpose and intent of this measure is to provide eligible taxpayers a nonrefundable income tax credit of up to \$3,000 per eligible child for certain child care costs.

Your Committee received written comments in support of this measure from the Hawaii State Commission on the Status of Women, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and one individual.

Your Committee received written comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and one individual.

Your Committee finds that it is appropriate to provide income tax relief to parents and legal guardians for the costs of child care services.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1718, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3612 Ways and Means on H.B. No. 1716

The purpose and intent of this measure is to establish a youth commission within the Office of Youth Services to advise the Governor and Legislature on issues concerning the youth of the State.

Your Committee received written comments in support of this measure from the Office of Youth Services, the Community Alliance on Prisons, Parents And Children Together, IMUAlliance, Young Progressives Demanding Action - Hawaii, the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one concerned individual.

Your Committee finds that increasing youth participation in public policymaking will help tailor policies to benefit future generations.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1716, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1716, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Inouye, Kahele).

SCRep. 3613 Ways and Means on H.B. No. 1647

The purpose and intent of this measure is to require the Department of Human Services to compile data on employers that have large numbers of employees enrolled in public assistance programs, to help the Legislature and policymakers understand the related impacts on society, the economy, and the state budget.

Your Committee received written comments on this measure from the Department of the Attorney General, Department of Human Services, and Department of Labor and Industrial Relations.

Your Committee finds that requiring the Department of Human Services to compile data on employers that have large numbers of employees in public assistance programs in the State could lead to more informed policy-making and opportunities for cost savings for the State.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1647, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1647, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Inouye, Kahele).

SCRep. 3614 Ways and Means on H.B. No. 1585

The purpose and intent of this measure is to appropriate funds for project-funded staff positions for the implementation of University of Hawaii capital improvement projects.

This measure also requires that certain employees of the University of Hawaii be employed under an employment contract.

Your Committee received written comments on this measure from the University of Hawaii System.

Your Committee finds that an audit and additional requirements will help to guide the University of Hawaii in management of Mauna Kea.

Your Committee has amended this measure by deleting its contents and inserting:

- (1) The contents of Senate Bill No. 757, Senate Draft 2, which requires the Auditor to conduct a financial, performance, and management audit of the University of Hawaii's activities related to Mauna Kea;
- (2) A requirement that the Board of Regents of the University of Hawaii adopt rules to regulate public and commercial activities on Mauna Kea lands;
- (3) A requirement that the University of Hawaii Office of Maunakea Management:
 - (A) Implement the management actions identified in the documents entitled Mauna Kea Comprehensive Management Plan; and Implementing and Evaluating the Comprehensive Management Plan for UH Managed Lands on Mauna Kea;
 - (B) Complete an environmental impact statement for land authorizations regarding long-term continuation of astronomy within the Mauna Kea science reserve area; and
 - (C) Secure a new master lease that extends beyond December 31, 2033, for the continued land authorization of the Mauna Kea science reserve area; and
- (4) A prohibition on all construction within the Mauna Kea science reserve area until the Governor issues a proclamation that relevant entities have complied with the requirements established by the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1585, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1585, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11; Ayes with Reservations (Harimoto). Noes, none. Excused, none.

SCRep. 3615 Ways and Means on H.B. No. 1508

The purpose and intent of this measure is to provide state agencies the ability to obtain financing from the Green Energy Market Securitization Program to implement energy-efficiency measures in public buildings.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Green Infrastructure Authority; Ulupono Initiative; 350Hawaii.org; Organizing for Action; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and one individual.

Your Committee finds that the reduction in energy consumption encouraged by this measure will help to ensure compliance with the State's energy-efficiency portfolio standard and to control energy costs borne by taxpayers.

Your Committee has amended this measure by:

- (1) Clarifying that the energy-efficiency measures financed by state agencies pursuant to this measure are to be implemented in public buildings;
- (2) Defining "cost-effective" with respect to energy-efficiency measures that may be financed by a state agency through a loan from the green infrastructure special fund; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1508, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1508, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3616 Ways and Means on H.B. No. 694

The purpose and intent of this measure is to establish the Health Analytics Program within the Med-QUEST Division of the Department of Human Services.

Your Committee received written comments in support of this measure from the Department of Health, Department of Human Services, Insurance Division of the Department of Commerce and Consumer Affairs, Hawaii Employer-Union Health Benefits Trust Fund, Office of Enterprise Technology Services, State Health Planning and Development Agency, University of Hawaii System, Hawaii Medical Service Association, Hawaii Primary Care Association, and Hawaii Medical Association.

Your Committee finds that the reports and analytics generated as a result of this measure will aid efforts to improve the State's healthcare delivery system and reduce state-funded healthcare costs.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 694, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 694, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Inouye, Kahele).

SCRep. 3617 Ways and Means on H.B. No. 424

The purpose and intent of this measure is to amend the laws relating to the procurement authority, governance, and financial structure of the University of Hawaii.

Specifically, this measure:

- (1) Reinstates the authority of the President of the University of Hawaii to act as the chief procurement officer of the University of Hawaii for all procurement contracts under Chapter 103D, Hawaii Revised Statutes;
- (2) Adds two faculty ex officio nonvoting members to the University of Hawaii Board of Regents;
- (3) Prohibits the University of Hawaii Board of Regents from raising tuition fees until an unspecified date; and
- (4) Requires the University of Hawaii to submit a report to the Legislature on the status of repair and maintenance costs and whether the 2018-2021 tuition increases are assisting in addressing the repair and maintenance backlog.

Your Committee received written comments in support of this measure from the State Procurement Office and Oahu County Committee Legislative Priorities Committee, Democratic Party of Hawai'i.

Your Committee received written comments on this measure from the University of Hawaii System.

Your Committee finds that faculty representation on the University of Hawaii Board of Regents would be contradictory to the values and best practices of citizen trusteeship. Your Committee further finds that temporarily suspending the Board of Regents from raising tuition fees would severely limit the ability of the University to respond to changes in the economy and that the current process for increasing tuition, which involves multiple open meetings that allow for public input, is sufficient to address concerns regarding the rising costs of tuition.

Your Committee has amended this measure by replacing its entire contents with the provisions of Senate Bill No. 2831, Senate Draft 2. As amended, this measure retains the provisions that reinstate the authority of the President of the University of Hawaii to act as the chief procurement officer of the University of Hawaii, but otherwise differs substantively from the version of this measure as received by your Committee by:

- (1) Adding the requirement that the University of Hawaii submit an annual report to the Legislature detailing a list of all capital improvement projects approved by the University of Hawaii Board of Regents, prioritized by each campus;
- (2) Deleting language that expressly provides that the reinstatement of the University President's powers as chief procurement officer shall not be applied in a manner that would be an unconstitutional impairment of an existing contract;
- (3) Deleting language that increases the composition of the University of Hawaii Board of Regents to include two faculty ex officio nonvoting members;
- (4) Deleting language that prohibits the University of Hawaii Board of Regents from raising tuition fees until an unspecified date;
- (5) Deleting language that requires the University of Hawaii Board of Regents to submit a report to the Legislature on the status of repair and maintenance costs and whether the 2018-2021 tuition increases are helping to address the repair and maintenance backlog; and
- (6) Providing that the measure will take effect on July 1, 2050, and will be repealed on June 30, 2021.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 424, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 424, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Shimabukuro).

SCRep. 3618 Ways and Means on H.B. No. 2587

The purpose and intent of this measure is to address the county surcharge on state tax.

More specifically, this measure:

- (1) Extends by three months the period in which a county may adopt a surcharge on state tax, under certain conditions, from March 31, 2018, to June 30, 2018; and
- (2) Requires that for a county with a population equal to or less than five hundred thousand that adopts a county surcharge on state tax:
 - (A) No less than sixty percent of the surcharge revenues shall be used for transportation purposes; and
 - (B) No more than two percent of the surcharge revenues may be used on any roadway used by the general public.

Your Committee received written comments in support of this measure from the Mayor of the County of Hawaii.

Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that this measure will provide the counties with additional time necessary to adopt county surcharge on state tax ordinances.

Your Committee has amended this measure by changing the effective date from January 1, 2100, to upon approval.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2587, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2587, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3619 Ways and Means on H.B. No. 2426

The purpose and intent of this measure is to authorize the issuance of general obligation bonds for the Agribusiness Development Corporation to acquire high value farm land in west Kauai.

Your Committee received written comments in support of this measure from the Department of Agriculture, Agribusiness Development Corporation, Hawaii Farm Bureau Federation, Hartung Brothers Hawaii, the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and Hawaii Cattlemens Council.

Your Committee finds that preserving agricultural lands for agricultural production will help to achieve agricultural self-sufficiency and sustainability, as well as help make west Kauai and the agriculture industry in the State more economically viable.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2426, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Harimoto, Kahele, Kidani).

SCRep. 3620 Ways and Means on H.B. No. 2105

The purpose and intent of this measure is to promote food production in the State.

More specifically, this measure makes an appropriation to the Department of Agriculture to support local food production projects.

Your Committee received written comments in support of this measure from the Hawaii Department of Agriculture; the Land Use Research Foundation of Hawaii; Ulupono Initiative; Ola Design Group LLC; Hawaii Farmers Union United; North Shore EVP; the Farm Apprentice Mentoring Program; Maui County Farm Bureau; the Oahu County Committee Legislative Priorities Committee, Democratic Party of Hawaii; and twenty-four concerned individuals.

Your Committee finds that in order to realize the State's goal of doubling local food production by 2020, it is important to provide support to local food producers.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$1,500,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2105, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2105, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Harimoto, Shimabukuro, Wakai).

SCRep. 3621 Ways and Means on H.B. No. 2101

The purpose and intent of this measure is to appropriate moneys to the Department of Land and Natural Resources for the operational expenses and staffing costs of the Hawaii Association of Conservation Districts.

Your Committee received written comments in support of this measure from the Department of Agriculture, the Department of Land and Natural Resources, Ulupono Initiative, Hawaii Aquaculture & Aquaponics Association, Hawaii Crop Improvement Association, Hawaii Farm Bureau Federation, UpCountry Doctor, Land Use Research Foundation of Hawaii, Pulama Lanai, Local Food Coalition, K&R Enterprises, Hawaii Cattlemens Council, Maui County Farm Bureau, Hawaii Association of Conservation Districts, the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii Farmers Union United, Central Maui Soil and Water Conservation District, Sanctuary of Mana Ke'a Gardens, Ulupalakua Ranch, Hawaii Coffee Association, Molokai Lanai Soil Water Conservation District, and twenty-four concerned individuals.

Your Committee finds that supporting the Hawaii Association of Conservation Districts will help protect Hawaii's economy and environment by improving farming practices, reducing erosion, conserving water and improving water quality, and fighting invasive species.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$450,000 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2101, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2101, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3622 Ways and Means on H.B. No. 2081

The purpose and intent of this measure is to appropriate moneys to the Department of Land and Natural Resources to provide assistance and funding to the National Wildlife Research Center of the United States Department of Agriculture to manage the population of rose-ringed parakeets on the island of Kauai.

Your Committee received written comments in support of this measure from the Department of Agriculture; Department of Land and Natural Resources; Coordinating Group on Alien Pest Species; Hawaii Aquaculture & Aquaponics Association; Hawaii Cattlemen's Council; Hawaii Crop Improvement Association; Hawaii Farm Bureau Federation; Land Use Research Foundation of Hawaii; Maui County Farm Bureau; and thirty-five individuals.

Your Committee finds that appropriating moneys to the Department of Land and Natural Resources to support the United States Department of Agriculture's work to manage the rose-ringed parakeet population on Kauai will help prevent the destruction of crops and spread of unwanted weeds on Kauai.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$284,011 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2081, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2081, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3623 Ways and Means on H.B. No. 2051

The purpose and intent of this measure is to appropriate moneys to the Department of the Attorney General to maintain the weed and seed strategy in those communities in which the strategy is currently being implemented.

Your Committee received written comments in support of this measure from the Department of the Attorney General; James Campbell High School; Puuhale Elementary School; Waipahu High School; Gentry Homes, Ltd.; Waipahu Community Coalition; the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and thirteen concerned individuals.

Your Committee finds that since its inception, the weed and seed strategy has successfully helped to reduce crime in those communities that have implemented the strategy.

Your Committee has amended this measure by changing the appropriation into a grant issued pursuant to Chapter 42F, Hawaii Revised Statutes, to Weed and Seed Hawaii, Inc., to maintain the weed and seed program.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2051, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2051, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3624 Ways and Means on H.B. No. 2041

The purpose and intent of this measure is to appropriate moneys to establish an aquaculture incubator at the Natural Energy Laboratory of Hawaii Authority in order to develop the State's aquaculture industry.

Your Committee received written comments in support of this measure from the Department of Agriculture; Department of Business, Economic Development, and Tourism; Hawaii Strategic Development Corporation; Hawaii Technology Development Corporation; Natural Energy Laboratory of Hawaii Authority; Aquaculture Planning & Advocacy LLC; Blue Ocean Mariculture; Fresh Island Fish; Hawaii Farm Bureau Federation; Kona-Kohala Chamber of Commerce; Los Angeles Organic Farm LLC; Marine Genetics; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; The Ocean Stewards Institute; Ulupono Initiative; and three individuals.

Your Committee finds that supporting the development of an aquaculture incubator at the Natural Energy Laboratory of Hawaii Authority and participation of the Hawaii aquaculture industry in the Aquaculture America 2020 conference will develop significant commercial opportunities for the aquaculture sector.

Your Committee has amended this measure by:

- (1) Inserting the contents of H.B. No. 1960, H.D. 2, as Part II of the measure, which appropriates moneys to support the planning and participation of the Hawaii aquaculture industry in the Aquaculture America 2020 conference to be held in Honolulu; and
- (2) Designating the Department of Agriculture to be the expending agency for all appropriations in the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2041, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2041, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3625 Ways and Means on H.B. No. 2026

The purpose and intent of this measure is to require the Legislative Reference Bureau to update the 1985 study "The Feasibility of Environmental Reorganization for Hawaii" and to assess the feasibility of implementing the findings and recommendations of the Department of Environmental Protection Task Force that was convened in response to Act 293, Session Laws of Hawaii 1991.

Your Committees received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii and one individual.

Your Committee received written comments on this measure from the Legislative Reference Bureau.

Your Committee finds that environmental challenges faced by Hawaii and the world have grown significantly since the 1985 study was published and that an updated study would provide a better understanding of whether a Department of Environmental Protection should be established and what its jurisdiction should encompass.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated to an unspecified sum; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2026, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2026, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3626 Ways and Means on H.B. No. 2025

The purpose and intent of this measure is to promote sustainability in public schools.

Specifically, this measure:

- (1) Authorizes the Department of Education to issue grants to establish a composting grant pilot project in Department of Education schools;
- (2) Authorizes the Department of Education to establish the composting grant pilot project working group; and
- (3) Appropriates funds to establish and implement the composting grant pilot project.

Your Committee received testimony in support of this measure from the Department of Education, Ulupono Initiative, Kainalu Elementary, Windward Zero Waste Schools, Kaohao School, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and six individuals.

Your Committee received written comments on this measure from the Department of Agriculture.

Your Committee finds that the composting grant pilot project authorized by this measure will reduce food waste in public schools while teaching students about waste diversion and agricultural science concepts.

Your Committee has amended this measure by:

- (1) Clarifying that the Department of Education shall invite a representative of its Office of School Facilities and Support Services, rather than its Facilities Branch, to join the composting grant pilot project working group; and
- (2) Making a technical nonsubstantive change for the purpose of style.

Should this measure go to Conference, your Committee respectfully requests that the Conference Committee determine an appropriate sunset date for the composting grant pilot program and composting grant pilot project working group.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2025, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2025, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3627 Ways and Means on H.B. No. 2021

The purpose and intent of this measure is to require the Department of Human Services to establish a pilot project to operate a facility to provide shelter and mental health treatment services to certain homeless individuals with severe mental illness.

Your Committee received written comments in support of this measure from the Judiciary, Hawaii Substance Abuse Coalition, Hawaii Psychological Association, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one concerned individual.

Your Committee received written comments on this measure from the Governor's Coordinator on Homelessness, Department of Human Services, Department of Health, and the Mayor's Office of Housing - City and County of Honolulu.

Your Committee finds that providing mental health services to homeless individuals with severe mental illness or severe co-occurring mental illness and substance use disorders could reduce chronic homelessness in the State among individuals who often reject treatment and become, or remain, chronically homeless.

Your Committee notes that the annual cost of the pilot project is anticipated to be \$600,000, but that the first year's costs will be less than the subsequent years' costs due to the time needed to procure the designated service provider, establish the shelter, and organize the legal procedures.

Your Committee has amended this measure by:

- (1) Extending the scope of the pilot project to individuals with severe mental illness or severe co-occurring mental illness and substance use disorders;
- (2) Modifying the goals of the pilot project;
- (3) Requiring the Department of Human Services to procure the services of a designated service provider for the pilot project;
- (4) Requiring:
 - (A) The Adult Protective and Community Services Branch of the Department of Human Services to petition the family court for court-ordered assisted community treatment or court-ordered guardianship; and
 - (B) A licensed physician employed by the designated service provider to petition the family court for court-ordered assisted community treatment,

for a homeless individual with severe mental illness or severe co-occurring mental illness and substance use disorders; provided that the applicable court-ordered treatments state that it is in the individual's best interest to enroll in a mental health treatment program;
- (5) Requiring the Adult Protective and Community Services Branch of the Department of Human Services to provide the requisite information and paperwork for the public guardianship of homeless individuals under the pilot project;
- (6) Allowing certain licensed physicians to place a homeless individual with severe mental illness or severe co-occurring mental illness and substance use disorders into the pilot project's shelter pursuant to a court order;
- (7) Reducing from ten to eight the number of homeless individuals with severe mental illness or severe co-occurring mental illness and substance use disorders who may receive shelter and mental health treatment at the facility at any given time;
- (8) Changing the identification documentation requirement for the receipt of shelter and treatment under the pilot project into a discretionary guideline;
- (9) Specifying that the pilot project shall end on June 30, 2021;
- (10) Requiring that the Department of Human Services submit both an interim report and a final report to the Legislature;
- (11) Requiring that the Department of Human Services enter into a memorandum of understanding with the Department of Health and the designated service provider;
- (12) Requiring the designated service provider, rather than the Department of Human Services, to locate a suitable facility to provide shelter and mental health treatment services;
- (13) Requiring that the Governor's Office ensure that data from the pilot project is entered into the Homeless Management Information System;
- (14) Establishing one 0.5 full-time equivalent (0.5 FTE) staff position in the Office of the Public Guardian;
- (15) Allowing the Department of Human Services to use the appropriation for the leasing of a facility for the pilot project and to procure any services necessary to achieve the goals of the pilot project;
- (16) Deleting the requirement that the provisions to establish the pilot project take effect upon the Department of the Attorney General's approval; and
- (17) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2021, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2021, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3628 Ways and Means on H.B. No. 2012

The purpose and intent of this measure is to allocate a portion of transient accommodations tax revenues to the Hawaii Tourism Authority for the provision of social services, in conjunction with the Hawaii Lodging and Tourism Association, to address homelessness in tourist and resort areas; provided that funds shall only be released if matched by the private sector.

Your Committee received written comments in support of this measure from the Hawaii Lodging and Tourism Association, IMUAlliance, Kohala Coast Resort Association, Land Use Research Foundation of Hawaii, Maui Hotel & Lodging Association, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Governor's Coordinator on Homelessness, Hawaii Tourism Authority, and Tax Foundation of Hawaii.

Your Committee finds that the measure provides additional resources to mitigate homelessness in areas of the State inhabited and frequented by visitors.

Your Committee notes that the Governor's Coordinator on Homelessness has requested greater clarity as this measure moves forward in the legislative process regarding how funding for homeless initiatives will be procured and contracted, including whether the intent is to support programs currently funded through the Hawaii Lodging and Tourism Association's visitor industry charity walks.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2012, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3629 Ways and Means on H.B. No. 2005

The purpose and intent of this measure is to assist the University of Hawaii in addressing deferred maintenance and capital modernization by authorizing the University of Hawaii to issue revenue bonds for the purpose of financing the construction and maintenance of qualifying capital improvement projects.

Your Committee received written comments in support of this measure from the University of Hawaii and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that the revenue bond issuance authorization would make available a strategic revenue source for the University of Hawaii to supplement limited general obligation bond funding.

Your Committee has amended this measure by:

- (1) Authorizing the University of Hawaii to issue up to \$100,000,000 in revenue bonds;
- (2) Appropriating \$100,000,000 of the revenue bond proceeds and interest earned thereon to the University of Hawaii;
- (3) Providing that the appropriation shall lapse on June 30, 2022, rather than June 30, 2020;
- (4) Deleting the requirement that the Legislature approve the issuance of revenue bonds by concurrent resolution; and
- (5) Changing the effective date from July 1, 2112, to upon approval.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2005, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2005, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3630 Ways and Means on H.B. No. 1895

The purpose and intent of this measure is to require the Department of Health to establish, and appropriate moneys for, two full-time equivalent positions to support the Department of Health's ability to review, certify, and recertify dialysis centers and other health care facilities under its purview.

Your Committee received written comments in support of this measure from the Department of Health; Healthcare Association of Hawaii; National Kidney Foundation of Hawaii; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and one individual.

Your Committee finds that the number of patients in Hawaii with chronic kidney disease is increasing. Your Committee also finds that funding additional positions within the Department of Health will improve the Department's capacity to review, certify, and recertify end stage renal dialysis facilities and other health care facilities and increase access to dialysis care in the State. Your Committee acknowledges the Department of Health's intent to seek additional funding for these positions from the appropriate federal agency.

Your Committee has amended this measure by changing the effective date to July 1, 2035, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1895, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1895, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 5 (Galuteria, Harimoto, Inouye, Kahele, Shimabukuro).

SCRep. 3631 Ways and Means on H.B. No. 1926

The purpose and intent of this measure is to require the Department of Human Services to use an integrated and multigenerational approach in the delivery of services.

Your Committee received written comments in support of this measure from the Department of Human Services, Hawaii Primary Care Association, Parents And Children Together, the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one concerned individual.

Your Committee believes that by using an integrated and multigenerational approach, the Department of Human Services will be able to more effectively provide programs and services to families and individuals.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1926, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1926, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Inouye, Kahele).

SCRep. 3632 Ways and Means on H.B. No. 1941

The purpose and intent of this measure is to establish and fund one full-time equivalent world languages institutional support position within the Department of Education.

Your Committee received written comments in support of this measure from the Department of Education; Office of Language Access; Filipina Advocacy Network; Hawaii Association of Language Teachers; Hawaii Friends of Civil Rights; Hawaii State Teachers Association; HawaiiKidsCAN; Native Hawaiian Education Council; Oahu County Legislative Priorities Committee, Democratic Party of Hawaii; Tinalak Filipino Education Council; and a number of individuals.

Your Committee finds that creating a world languages institutional support position within the Department of Education is in the public interest, supports multilingualism, and will enhance student achievement.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1941, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1941, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Shimabukuro).

SCRep. 3633 Ways and Means on H.B. No. 1962

The purpose and intent of this measure is to appropriate moneys to the Department of Business, Economic Development, and Tourism to conduct an economic development study on potential opportunities for automated manufacturing in the State.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that supporting automated manufacturing initiatives will help to increase sustainability and create a viable manufacturing industry in the State.

Your Committee notes that the Department of Business, Economic Development, and Tourism has requested \$150,000 to complete the study.

Your Committee has amended this measure by:

- (1) Requiring that the Department of Business, Economic Development, and Tourism submit a final report to the Legislature in addition to its preliminary report; and
- (2) Changing the appropriation from \$150,000 to an unspecified amount to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1962, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1962, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3634 Ways and Means on H.B. No. 1969

The purpose and intent of this measure is to appropriate moneys for the Department of Agriculture, in coordination with the Office of Planning and Department of Land and Natural Resources, to prepare and periodically update a seafood management study that includes wild seafood as a viable food source.

Your Committee received written comments in support of this measure from the Hawaii Fishermen's Alliance for Conservation and Tradition, and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Agriculture, Department of Land and Natural Resources, and Office of Planning.

Your Committee finds that requiring a regularly updated seafood management study, including wild seafood, will assist the State in increasing food security and food self-sufficiency.

Your Committee has amended this measure by designating the Department of Land and Natural Resources, rather than the Department of Agriculture, as the lead agency on the required study.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1969, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1969, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Harimoto, Kahele, Kidani, Wakai).

SCRep. 3635 Ways and Means on H.B. No. 1971

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Kunoa Cattle Company, LLC, for projects relating to an agricultural enterprise.

Your Committee received written comments in support of this measure from the Department of Agriculture; Hawaii Farm Bureau; Ulupono Initiative; Kunoa Cattle Company, LLC; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that the issuance of special purpose revenue bonds under this measure is for the purpose of assisting an agricultural enterprise and will raise the State's level of agricultural self-sustainability.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1971, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3636 Ways and Means on H.B. No. 1974

The purpose and intent of this measure is to transfer moneys from the natural area reserve fund to the firefighter's contingency fund to upgrade firefighting equipment that is to be used jointly by the State and counties.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, State Fire Council, County of Maui Department of Fire & Public Safety, County of Hawaii Office of the Mayor, County of Hawaii Fire Department, Hawaii Cattlemens Council, and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that transferring moneys from the natural area reserve fund into the firefighter's contingency fund to upgrade firefighting equipment will promote public safety. Your Committee further finds that the creation of a marine debris special fund will facilitate the removal of marine debris from the State's waters and shorelines.

Your Committee has amended this measure by including language from Part III of H.B. No. 2625, H.D. 2, that establishes the marine debris special fund to be used for the removal of marine debris, but not the removal of abandoned structures.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1974, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1974, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3637 Ways and Means on H.B. No. 1977

The purpose and intent of this measure is to require the Hawaii Emergency Management Agency to convene a working group composed of appropriate county, state, and federal agencies to develop strategic regional flood plans.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and two individuals.

Your Committee received written comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that the State must prepare itself for the threat of floods and flood-related disasters by ensuring that proper plans are in place to mitigate, respond to, and recover from flooding and flood-related damages.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1977, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1977, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3638 Ways and Means on H.B. No. 1984

The purpose and intent of this measure is to appropriate moneys for the Commission on Water Resource Management to provide additional guidance for updating the Hawaii Water Plan by revising the statewide framework for the plan to consider emerging issues, such as climate change.

Your Committee received written comments in support of this measure from the Board of Water Supply; Department of Land and Natural Resources; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and one individual.

Your Committee finds that appropriating moneys for the Commission on Water Resource Management to update the Hawaii Water Plan in order to consider emerging issues will facilitate an improved plan and promote the long-term protection of water resources in the State.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$350,000 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1984, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1984, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3639 Ways and Means on H.B. No. 2393

The purpose and intent of this measure is to make an emergency appropriation to the Department of Public Safety for the continued temporary housing of inmates while construction is being completed at Halawa Correctional Facility.

Your Committee received written comments in support of this measure from the Department of Public Safety, the Hoomanapono Political Action Committee, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that, due to a delay in the completion of a capital improvement project at Halawa Correctional Facility, this appropriation is necessary to continue the temporary housing of two hundred forty-eight inmates in a non-state facility until the project is completed.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2393, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2393, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3640 Ways and Means on H.B. No. 2362

The purpose and intent of this measure is to exempt Department of Human Services' Administrative Appeals Hearing Officer positions from civil service.

Your Committee received written comments in support of this measure from the Department of Human Services.

Your Committee finds that by exempting the Department of Human Services' Administrative Appeals Hearing Officers from civil service, the Department will be able to attract a larger number of highly qualified legal professionals capable of handling the specialized demands of the position.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2362, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2362, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3641 Ways and Means on H.B. No. 2354

The purpose and intent of this measure is to provide taxpayers with an opportunity to increase their support of the Hawaii State Public Library System.

Specifically, this measure changes the amount of the authorized income tax check-off to the libraries special fund that may be designated from a person's income tax refund as follows:

- (1) For an individual taxpayer, changing the amount from \$2 to an unspecified amount; and

- (2) For taxpayers filing a joint return, changing the amount from \$4 to an unspecified amount.

Your Committee received written comments in support of this measure from the Department of Taxation; Hawaii State Public Library System; and Oahu County Legislative Priorities Committee, Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the income tax check-off box, which has generated approximately \$68,000 during each of the last three calendar years, is used to support the Hawaii State Public Library System and its programs.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2354, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2354, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Shimabukuro).

SCRep. 3642 Ways and Means on H.B. No. 2353

The purpose and intent of this measure is to facilitate the operations of the Hawaii State Public Library System.

More specifically, this measure:

- (1) Makes miscellaneous technical amendments to various sections of the Hawaii Revised Statutes that affect the Hawaii State Public Library System;
- (2) Renames the "Hawaii state library foundation trust fund" as the "friends of the library of Hawaii program fund"; and
- (3) Clarifies the functions of the program fund.

Your Committee received written comments in support of this measure from the Hawaii State Public Library System, Friends of the Library of Hawai'i, and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that various sections of the Hawaii Revised Statutes relating to the Hawaii State Public Library System require updating and housekeeping to ensure that the system continues to efficiently and effectively provide the public with its vast services.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2353, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2353, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Harimoto, Kahele, Kidani).

SCRep. 3643 Ways and Means on H.B. No. 2341

The purpose and intent of this measure is to make changes to Act 263, Session Laws of Hawaii 2016, which established procedures on how qualified domestic relations orders are to be handled by the Employees' Retirement System.

Specifically, this measure:

- (1) Allows the Employees' Retirement System to make direct payments to spouses or former spouses of former Employees' Retirement System members with vested benefit status when the former spouse has been awarded all or a portion of Employees' Retirement System retirement benefits as ordered or decreed in a domestic relations proceeding;
- (2) Makes consistent the benefits payable to an alternate payee whether the Hawaii qualified domestic relations order is certified prior to, or after, the member, former member with vested benefit status, or retiree retires;
- (3) Delays the effective date of Act 263, Session Laws of Hawaii 2016, from July 1, 2018, to July 1, 2020; and
- (4) Makes an appropriation to implement the measure.

Your Committee received written comments in support of this measure from the Employees' Retirement System and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that a delay of the effective date of Act 263, Session Laws of Hawaii 2016, is required for the development of resources necessary to support the implementation of the law, to cover the costs of computer system modifications, and for education of members and other affected parties.

Your Committee has amended this measure by:

- (1) Specifying that the appropriation shall be for computer and office automation to support the implementation of the measure;
- (2) Designating the Department of Budget and Finance as the expending agency for the appropriation; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2341, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2341, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3644 Ways and Means on H.B. No. 2333

The purpose and intent of this measure is to authorize the Department of Business, Economic Development, and Tourism to deposit moneys into the Hawaii community-based economic development revolving fund that the Department receives from the repayments of loans and payments of interest or fees from certain loan programs.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Alliance for Community-Based Economic Development; Hawaii Farm Bureau Federation; the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and Waianae Economic Development Council.

Your Committee finds that authorizing the Department of Business, Economic Development, and Tourism to deposit recoveries from outstanding loans from certain loan programs that are inactive into the Hawaii community-based economic development revolving fund will allow the Department to make loans and grants available to small businesses in the State.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2333, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2333, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 5 (Galuteria, Harimoto, Inouye, Kahele, Shimabukuro).

SCRep. 3645 Ways and Means on H.B. No. 2697

The purpose and intent of this measure is to appropriate funds for and require the Office of Veterans' Services to organize, coordinate, and conduct a biennial Hawaii veterans summit.

Your Committee received written comments in support of this measure from the Department of Defense, Office of Veterans Services; the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and one individual.

Your Committee finds that a biennial Hawaii veterans summit will enable veterans and their families and dependents to efficiently and conveniently access important services and information from any number of public and private entities at a single event.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2697, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2697, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3646 Ways and Means on H.B. No. 2694

The purpose and intent of this measure is to require the Department of Health to furnish certified copies of birth certificates to homeless individuals free of charge, provided that the individual's homeless status is verified by a homeless service provider.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, Domestic Violence Action Center, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments in opposition to this measure from the Department of Health.

Your Committee received written comments on this measure from the Department of Human Services and the Governor's Coordinator on Homelessness.

Your Committee finds that this measure will remove a financial burden for homeless individuals who attempt to obtain a certification of birth from the Department of Health.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2694, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2694, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3647 Ways and Means on H.B. No. 2684

The purpose and intent of this measure is to appropriate moneys to the Public Utilities Commission to hire additional motor carrier enforcement personnel.

Your Committee received written comments in support of this measure from the Hawaii Transportation Association.

Your Committee finds that the appropriation in the measure will enable the Public Utilities Commission to dedicate additional resources for the enforcement of state motor carrier laws.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2684, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3648 Ways and Means on H.B. No. 2679

The purpose and intent of this measure is to require the City and County of Honolulu to transfer various parcels of real property to the Department of Education.

This measure also authorizes the Department of Education to hold title to certain real property.

Your Committee received written comments in support of this measure from the Department of Education, Building Industry Association of Hawaii, and Hawaii State Teachers Association.

Your Committee received written comments in opposition to this measure from Aina Haina Community Association.

The Department of the Attorney General, Department of Land and Natural Resources, and Office of Hawaiian Affairs submitted written comments on this measure.

Your Committee finds that transfer of certain parcels of land from the City and County of Honolulu to the Department of Education will allow the Department to better manage the real property on which schools are located and will remove significant barriers that the Department has encountered in the past when attempting to redevelop those parcels.

Your Committee has amended this measure by making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2679, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2679, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3649 Ways and Means on H.B. No. 2671

The purpose and intent of this measure is to appropriate moneys to various agencies to collaboratively assist dislocated workers and address the overall availability of gainful employment on the island of Molokai.

Your Committee received written comments in support of this measure from the Office of the Governor, Department of Agriculture, University of Hawaii, County of Maui Council, County of Maui, Hawaii Crop Improvement Association, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee received written comments on this measure from the Department of Labor and Industrial Relations and the Department of Business, Economic Development, and Tourism.

Your Committee finds that it is important to the economy of the island of Molokai and the well-being of its residents to ensure that dislocated workers are made aware of and have access to gainful employment opportunities on the island.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2671, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3650 Ways and Means on H.B. No. 2613

The purpose and intent of this measure is to appropriate funds to maintain the initial staff necessary to develop and manage the He'eia Estuarine Research Reserve and its programs.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; University of Hawaii System; Hawai'i Institute of Marine Biology; Aha Moku Advisory Committee; Ko'olaupoko Hawaiian Civic Club; National Estuarine Research Reserve Association; Nature Conservancy; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and four individuals.

Your Committee finds that funding for the initial staffing of the He'eia Estuarine Research Reserve is essential for continued coastal management of the reserve.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2613, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3651 Ways and Means on H.B. No. 2607

The purpose and intent of this measure is to promote computer science education in the State.

Specifically the measure:

- (1) Requires the Department of Education to develop and implement a statewide computer science curricula plan for public students in kindergarten through twelfth grade, ensuring that each public high school offers at least one computer science course each year; and
- (2) Authorizes the Department of Education to contract or agree with other entities to develop and implement computer science teacher development programs.

Your Committee received written comments in support of this measure from the Hawaii Technology Development Corporation; Code.org; Dev League Inc.; HawaiiKidsCAN; Microsoft Corporation; OCC Legislative Priorities Committee, Democratic Party of Hawaii; and three individuals.

Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that promoting computer science education in the public schools through a statewide computer science curricula plan and teacher training will prepare Hawaii's public school students to be competitive in college and the modern workplace.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2607, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2607, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Shimabukuro).

SCRep. 3652 Ways and Means on H.B. No. 2659

The purpose and intent of this measure is to establish a five-year Kapolei jobs initiative pilot program that provides a tax credit for businesses that establish themselves or open new locations in the Kapolei region.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Associa; Chamber of Commerce Hawaii; Coral Crater LLC; Hawaii Construction Alliance; Hunt Companies; James Campbell Company LLC; Kapolei Chamber of Commerce; Kapolei Commons; Makaha Mangoes; National Kidney Foundation of Hawaii; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Pacific Resource Partnership; Palehua Townhouse Association; Queen's Health Systems; Urgent Care Hawaii; Waianae High School; and nine individuals.

Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that job growth in the Kapolei region is a matter of community and state concern that affects employers and employees alike as households continue to outgrow the number of employment opportunities in the region.

Your Committee has amended this measure by:

- (1) Deleting the provisions that establish the Kapolei jobs initiative pilot program and converting all relevant tax credit language relating to that program into the new section of Hawaii Revised Statutes establishing a Kapolei jobs initiative tax credit;
- (2) Amending the definition of "qualified business" to specify that, among other requirements, a qualified business shall provide a gross annual salary of \$73,000 or more to each of at least half of its employees at the establishment in the designated geographic area; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2659, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2659, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Riviere, Shimabukuro).

SCRep. 3653 Ways and Means on H.B. No. 1976

The purpose and intent of this measure is to authorize the issuance of general obligation bonds to finance capital improvements to the Waiahole Irrigation System.

Your Committee received written comments in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Hartung Brothers Hawaii; Hawaii Cattlemens Council; Hawaii Farm Bureau Federation; HFUU; K&R Enterprises; Land Use Research Foundation of Hawaii; Larry Jefts Farms, LLC; Local Food Coalition; Maui County Farm Bureau; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and fifteen individuals.

Your Committee finds that authorizing general obligation bonds to finance capital improvements to the Waiahole Irrigation System will help to ensure water security for farmers on Oahu.

Your Committee has amended this measure by changing the effective date to upon approval, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1976, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1976, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Harimoto, Inouye, Kahele, Shimabukuro).

SCRep. 3654 Ways and Means on H.B. No. 2144

The purpose and intent of this measure is to require that the Department of Public Safety inform inmates, prior to their release, of available assistance to secure or verify their Medicaid eligibility.

Your Committee received written comments in support of this measure from the Department of Public Safety; Office of Hawaiian Affairs; and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Human Services.

Your Committee finds that requiring the Department of Public Safety to inform inmates of available assistance to secure or verify their Medicaid eligibility prior to release will improve inmates' access to health care services that inmates may need for a successful reentry into the community.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2144, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2144, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Inouye, Kahele).

SCRep. 3655 Ways and Means on H.B. No. 2115

The purpose and intent of this measure is to appropriate funds for the operation of the K-12 agriculture workforce development pipeline initiative.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations, Department of Agriculture, Land Use Research Foundation of Hawaii, Hawaii Aquaculture and Aquaponics Association, Hawaii Farm Bureau Federation, HFUU, Hawaii State Teachers Association, Maui County Farm Bureau, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and a number of individuals.

Your Committee finds that it is essential that the State continue to support programs that work to expand and develop the agricultural workforce.

Your Committee has amended this measure by:

- (1) Changing the amount of the appropriation for the operations of the K-12 agriculture workforce development pipeline initiative from \$200,000 to an unspecified sum;
- (2) Adding a new part II to the measure that amends Act 163, Session Laws of Hawaii 2017, by providing that the Department of Agriculture's biosecurity program shall be funded in fiscal year 2018-2019 using funds from the general fund and the pest inspection, quarantine, and eradication fund, rather than the agricultural development and food security special fund; and
- (3) Inserting an effective date of:
 - (A) June 30, 2050, for section 4; and
 - (B) July 1, 2050, for section 5,

to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2115, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2115, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Harimoto, Kahele, Kidani).

SCRep. 3656 Ways and Means on H.B. No. 2107

The purpose and intent of this measure is to establish within the Department of Land and Natural Resources a plastic pollution initiative that includes a Plastic Pollution Advisory Council.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Hawaii Reef and Ocean Coalition, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and five individuals.

Written comments in opposition were received from two individuals.

The American Chemistry Council submitted written comments on the measure.

Your Committee finds that plastic pollution is an ever-increasing threat to the State's environment and this measure provides a step towards mitigating this threat.

Your Committee notes the concern raised by the American Chemistry Council in its written comments on this measure with respect to expanding the membership of the Plastic Pollution Advisory Council to include representatives from other industry sectors. Your Committee respectfully requests that this concern be considered as the measure moves forward in the legislative process.

Your Committee has amended this measure by:

- (1) Clarifying the membership of the Plastic Pollution Advisory Council with regard to the representatives from each county and the Hawaii Tourism Authority;
- (2) Changing the appropriation from \$150,000 to an unspecified amount;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2107, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2107, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3657 Ways and Means on H.B. No. 2106

The purpose and intent of this measure is to require the Environmental Council to adopt and maintain rules requiring that environmental assessments and environmental impact statements include consideration of sea level rise based upon the best available scientific data.

Your Committee received written comments in support of this measure from the Office of Planning, Organizing for Action, 350Hawaii.org, the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, Malama O Puna, and one concerned individual.

Your Committee finds that requiring consideration of sea level rise in environmental assessments and environmental impact statements will help to ensure that land use proposals both mitigate the effects of sea level rise and adopt designs to avoid costly future renovation necessitated by environmental disruption.

Your Committee has amended this measure by:

- (1) Making a technical nonsubstantive amendment for the purposes of consistency and style; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2106, H.D. 3, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2106, H.D. 3, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3658 Ways and Means on H.B. No. 2084

The purpose and intent of this measure is to support innovative small businesses on neighbor islands.

More specifically, this measure:

- (1) Requires that the Hawaii Technology Development Corporation include in its annual report to the Legislature its efforts relating to outreach and mentorship assistance to neighbor island innovative small businesses; and
- (2) Appropriating moneys to the Hawaii Technology Development Corporation to continue the Neighbor Island Innovation Initiative.

Your Committee received written comments in support of this measure from the Hawaii Technology Development Corporation; the Office of the Mayor of the County of Hawaii; Department of Research & Development, County of Hawaii; TeleVoice 2000; Chamber of Commerce Hawaii; the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and one concerned individual.

Your Committee received written comments on this measure from one concerned individual.

Your Committee finds that supporting the Hawaii Technology Development Corporation's Neighbor Island Innovation Initiative will allow the program to continue to assist entrepreneurs and small businesses on the neighbor islands.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2084, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3659 Ways and Means on H.B. No. 2075

The purpose and intent of this measure is to reestablish the matching grant program established by Act 159, Session Laws of Hawaii 2015, which authorized the Department of Business, Economic Development, and Tourism to provide grants to qualified businesses conducting research and development in alternative energy.

Your Committee received written comments in support of this measure from the Hawaii Technology Development Corporation; Navatek; Makai Ocean Engineering, Inc.; Chamber of Commerce Hawaii; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and five individuals.

Your Committee received written comments on this measure from Oceanit Laboratories, Inc.

Your Committee finds that the matching grant program has helped companies obtain needed funding to continue their alternative energy research and development, which helps to create high paying jobs and meet Hawaii's clean energy goals.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2075, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3660 Ways and Means on H.B. No. 2055

The purpose and intent of this measure is to appropriate moneys to the State Procurement Office for the establishment of two full-time equivalent (2.0 FTE) construction procurement specialist positions.

Your Committee received written comments in support of this measure from the State Procurement Office and the Department of Transportation.

Your Committee finds that the unique nature of construction procurement necessitates personnel specializing in that field. Accordingly, the addition of two construction procurement specialists to the State Procurement Office will allow the office to adequately review construction procurement policy and assist other agencies with complex construction procurements.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2055, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2055, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Inouye, Kahele).

SCRep. 3661 Ways and Means on H.B. No. 2019

The purpose and intent of this measure is to establish a three-year homeless employment grant pilot program to assist homeless individuals with work opportunities and services.

Your Committee received written comments in support of this measure from the Governor's Coordinator on Homelessness, Hawaii Youth Services Network, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and two individuals.

Written comments on this measure were submitted by the State Procurement Office and Department of Human Services.

Your Committee finds that this program will assist homeless individuals in obtaining employment, building job skills, and ultimately gaining sustainable income to end their homelessness.

Your Committee notes that the State Procurement Office requested that, as this measure moves forward in the legislative process, further consideration be given to:

- (1) Amending section 2(b) of the measure to prohibit the Department of Human Services from procuring contracts exempt from Chapter 103D, Hawaii Revised Statutes, that extend beyond the term of the pilot program; and
- (2) If, in the administration of the pilot program, additional subcontracts for direct services, as defined in Chapter 103F, Hawaii Revised Statutes, are required, including a corresponding exemption to Chapter 103F, Hawaii Revised Statutes, and providing that the period of performance for those contracts not extend beyond the term of the pilot program.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2019, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3662 Ways and Means on H.B. No. 2010

The purpose and intent of this measure is to change provisions of the law relating to tourism.

Specifically, this measure:

- (1) Renames the convention center enterprise special fund as the convention center operations and maintenance special fund;

- (2) Inserts a cap of \$6,000,000 on the convention center operations and maintenance special fund and authorizes expenditures from the fund for the salaries of Convention Center personnel;
- (3) Amends the authorized uses of the tourism special fund and caps expenditures from the fund for certain purposes;
- (4) Amends the allocation of transient accommodations tax revenue;
- (5) Authorizes the Department of Budget and Finance to cancel the reimbursable general obligation bond debt relating to the Convention Center that is owed by the Hawaii Tourism Authority; and
- (6) Makes conforming amendments.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Hawaii Advocates for Consumer Rights, The Kupuna Caucus of the Democratic Party of Hawaii, and two individuals.

Your Committee received written comments in opposition to this measure from the Department of Business, Economic Development, and Tourism; Hawaii Tourism Authority; Mauna Kea Resort; Kohala Coast Resort Association; Hawaii Transportation Association; JTB Hawaii, Inc.; Kadota Liquor; Hawaii Marine Animal Response; Japan Hawaii Travel Association; Maui Pops Orchestra; OmniTrak Group Inc.; Hyatt Regency Waikiki; ILWU Local 142; Hui o Laka; Skal International Hawaii; RH Productions LLC; KYD, Inc.; Ahahui Malama I Ka Lokahi; International Festivals and Events Association; Visitor Aloha Society of Hawaii; ABC Stores; Maui Hotel & Lodging Association; Koloa Plantation Days, Inc.; Waikiki Improvement Association; Napili Kai Beach Resort; Nielsen Sports America, LLC; Hawaii Food Industry Association; Hana Arts; and nineteen individuals.

Your Committee received written comments on this measure from the Department of Budget and Finance, University of Hawaii System, Tax Foundation of Hawaii, and one individual.

Your Committee finds that directly allocating transient accommodations tax revenue to specific agencies that work with, or are impacted by, the tourism industry will better ensure that these agencies can properly address their specific needs in an efficient and timely manner.

Your Committee has amended this measure by:

- (1) Requiring, rather than authorizing, the Department of Budget and Finance to cancel the reimbursable general obligation bond debt relating to the Convention Center that is owed by the Hawaii Tourism Authority; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2010, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2010, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3663 Ways and Means on H.B. No. 2080

The purpose and intent of this measure is to appropriate moneys for software application challenge grants in order for participants to turn the proofs of concept they create into prototypes suitable for local and state government use.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development and Tourism; Department of Commerce and Consumer Affairs; Hawaii Technology Development Corporation; Office of Enterprise Technology Services; Dev League Inc.; Elemental Excelerator; Hawaii Open Data; Transform Hawaii Government; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and one individual.

Your Committee finds that an appropriation to support the development of prototypes created through software application challenges could promote innovation and efficiency in government institutions.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2080, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3664 Ways and Means on H.B. No. 2670

The purpose and intent of this measure is to require the Department of Agriculture to create a local healthy food incentive program that promotes the purchase of Hawaii-grown produce by beneficiaries of the Supplemental Nutrition Assistance Program.

Your Committee received written comments in support of this measure from the Department of Agriculture; Department of Health; County of Hawaii, Mayor's Office; American Heart Association; Community First; Hawaii Applesseed Center for Law & Economic Justice; Hawaii Children's Action Network; Hawaii Farm Bureau Federation; Hawaii Pacific Health; Hawaii Primary Care Association; Hawaii Public Health Institute; Kamehameha Schools; Pioneering Healthier Communities of Honolulu; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Ulupono Initiative; and nine individuals.

Your Committee received written comments on this measure from the Department of Human Services.

Your Committee finds that requiring the Department of Agriculture to create a healthy food incentive program that promotes the purchase of Hawaii-grown produce by beneficiaries of the Supplemental Nutrition Assistance Program will promote economic growth and increase access to fresh food in the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2670, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3665 Ways and Means on H.B. No. 1987

The purpose and intent of this measure is to promote better management of Hawaii's water resources by appropriating funds and requiring the Commission on Water Resource Management to contract with the United States Geological Survey to conduct a five-year study on streamflow in the State.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Board of Water Supply, Ulupono Initiative, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that as climate change affects rainfall, stream flows must be regularly studied to ascertain any detrimental impacts to habitat and surface water diversions.

Your Committee notes that the Commission on Water Resource Management requested an appropriation of \$400,000 for the purposes of this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the requirement that the Commission on Water Resource Management contract with the United States Geological Survey for the streamflow study is subject to the approval of the United States Geological Survey;
- (2) Clarifying that the Commission on Water Resource Management shall submit to the Legislature:
 - (A) Preliminary reports on the streamflow study's progress no later than twenty days prior to the convening of the Regular Sessions of 2019, 2020, 2021, and 2022; and
 - (B) A final report on the streamflow study no later than twenty days prior to the convening of the Regular Session of 2023;
- (3) Changing all amounts appropriated to or to be expended by the Commission on Water Resource Management to unspecified sums; and
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1987, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1987, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3666 Ways and Means on H.B. No. 1986

The purpose and intent of this measure is to establish a carbon offset program through which revenues realized from the sale of carbon offset credits may be deposited into the forest stewardship fund or invested into projects that improve the State's water infrastructure or mitigate threats to water sustainability due to climate change.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Land and Natural Resources; The Nature Conservancy; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Ulupono Initiative; and three individuals.

Your Committee received written comments on this measure from the Office of Planning, Hawaii Energy Policy Forum Fuels Working Group, and Hawaii Farm Bureau.

Your Committee finds that it is in the public interest to create a carbon offset program that would incentivize and reward the adoption and practice of, and adherence to, carbon emission reduction activities in a manner consistent with the Hawaii 2050 sustainability plan.

Your Committee has amended this measure by:

- (1) Correcting a reference to a section of the Hawaii Revised Statutes; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1986, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1986, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3667 Ways and Means on H.B. No. 1968

The purpose and intent of this measure is to appropriate moneys to the University of Hawaii College of Tropical Agriculture and Human Resources Cooperative Extension Service for additional full-time equivalent ornamental plant extension agent positions.

Your Committee received written comments in support of this measure from the Department of Agriculture; University of Hawaii; Coordinating Group on Alien Pest Species; Hawaii Crop Improvement Association; Hawaii Floriculture and Nursery Association; Hawaii Tropical Flower Council; Landscape Industry Council of Hawaii; Maui County Farm Bureau; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Orchid Growers of Hawaii; and thirty-five individuals.

Your Committee finds that appropriating moneys to the University of Hawaii College of Tropical Agriculture and Human Resources Cooperative Extension Service for additional plant extension agent positions will strengthen the State's horticultural sector.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1968, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3668 Ways and Means on H.B. No. 1943

The purpose and intent of this measure is to appropriate funds to create two permanent full-time equivalent positions within the Office of Language Access to assist in implementing the State's language access law.

Your Committee received written comments in support of this measure from the State Health Planning and Development Agency; Hawaii Civil Rights Commission; Hawaii State Judiciary; Filipina Advocacy Network; Filipino-American Historical Society of Hawaii; Hawaii Friends of Civil Rights; Hawaii Interpreter Action Network; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Tinalak Filipino Education Council; Volunteer Legal Services Hawaii; and three individuals.

Your Committee received written comments on this measure from the Office of Language Access.

Your Committee finds that authorizing and funding two full-time equivalent positions in the Office of Language Access to help implement the State's language access law will increase access to government services, programs, and activities for state residents.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1943, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3669 Ways and Means on H.B. No. 1936

The purpose and intent of this measure is to improve the efficiency of the judicial system by providing that environmental courts shall not have exclusive, original jurisdiction over any proceedings relating to parking violations under certain laws and administrative rules.

Your Committee received written comments in support of this measure from the Hawaii State Judiciary, Department of Land and Natural Resources, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that this measure will help to reduce the number of cases in environmental courts, allowing the environmental courts to focus on serious environmental cases.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1936, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3670 Ways and Means on H.B. No. 1882

The purpose and intent of this measure is to appropriate moneys to the Department of Education:

- (1) For the purchase of laptop computers or tablets for public school students; and
- (2) To fund after-school programs at certain intermediate and middle schools.

Your Committee received written comments in support of this measure from the Department of Education, Hawaii Youth Services Network, TechNet, Computing Technology Industry Association, the Hawaii State Teachers Association, and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that improving classroom technology and providing after-school programs will enrich Hawaii's public schools and benefit students.

Your Committee has amended this measure by making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1882, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1882, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3671 Ways and Means on H.B. No. 1727

The purpose and intent of this measure is to establish the right of certain employees in the State to accrue and use paid sick leave.

Your Committee received written comments in support of this measure from AFL-CIO, Hawaii Government Employees Association, Hawaii State Teachers Association, ILWU Local 142, International Brotherhood of Electrical Workers Local Union 1260, and three individuals.

Your Committee received written comments in opposition to this measure from ABC Stores; Centerscale Automation Hawaii, Inc.; Chamber of Commerce Hawaii; Gyotaku Japanese Restaurants; Hawaii Credit Union League; Hawaii Food Industry Association; Hawaii Lodging & Tourism Association; Hawaii Petroleum, Inc.; Hawaii Restaurant Association; Il Gelato Hawaii; Kalapawai Market & Cafes; Kualapuu Market, Ltd.; Maui Chamber of Commerce; Maui Soda & Ice Works, Ltd.; NFIB; Outback Steakhouse; Retail Merchants of Hawaii; SHRM Hawaii; Tiki's Grill & Bar; and three individuals.

Your Committee received written comments on this measure from the Department of Labor and Industrial Relations; Hawaii State Commission on the Status of Women; Hawaii Appleseed Center for Law & Economic Justice; Hawaii Children's Action Network; IMUAlliance; ProService Hawaii; Queen's Health Systems; and YWCA Oahu.

Your Committee notes that some supporters of the measure have raised concerns that the measure is too limited in its application. More specifically, supporters have noted that the measure exempts employers with fewer than fifty employees from complying with the measure, and that employees must work four hundred eighty hours before paid sick leave benefits accrue. There is a concern that these limitations will exclude from the protections of the measure a large number of employees, including those who work full-time but do so by working at several part-time jobs. Some supporters also note that the measure would exempt employers who pay wages that are only slightly higher than the minimum wage from complying with the measure.

Your Committee acknowledges that, in contrast, some opponents of the measure, many of which are businesses of varying sizes, have raised concerns about the increased costs that the measure may create for businesses and employees. More specifically, opponents noted that labor costs are already a significant business expense, and additional labor costs combined with the impact of low unemployment make running a business even more challenging. These challenges may lead businesses to consider cutting jobs, eliminating benefits, abandoning plans for growth, raising prices, or closing altogether. Opponents express that, to avoid these outcomes, government should take steps to remove obstacles to growth, job creation, and economic stability, rather than adding costs.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1727, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3672 Ways and Means on H.B. No. 1654

The purpose and intent of this measure is to abolish the office of community services special fund of the Department of Labor and Industrial Relations.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations.

Your Committee received written comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the Auditor's Report No. 17-12 found that the office of community services special fund does not meet the criteria for continuance as a special fund and therefore recommended that the fund be eliminated and the remaining moneys be transferred to the general fund.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1654, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3673 Ways and Means on H.B. No. 1646

The purpose and intent of this measure is to require the Governor to temporarily fill a vacancy in the office of the United States Senator with the candidate who is elected to the office at a general election, if the candidate is not the incumbent and the incumbent vacates the office prior to the expiration of the incumbent's term of office.

Your Committee believes that it serves no useful purpose to allow the Governor to appoint anyone other than an elected candidate to fill a vacancy for the remainder of an incumbent's term of office.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1646, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3674 Ways and Means on H.B. No. 2741

The purpose and intent of this measure is to establish a working group to address reimbursement by health insurance for medical cannabis for qualifying patients.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received comments on this measure from the Legislative Reference Bureau.

Your Committee finds that issues surrounding the topic of insurance reimbursement for medical cannabis are extremely complex and that it is therefore prudent to establish a working group to examine these issues and make recommendations.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2741, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3675 Ways and Means on H.B. No. 2742

The purpose and intent of this measure is to improve the regulation of medical cannabis.

More specifically, the measure:

- (1) Establishes and appropriates funds for the Office of Medical Cannabis Control and Regulation, which shall be responsible for implementing the medical cannabis dispensary system and administering the medical cannabis patient registry; and
- (2) Extends from July 1, 2020, to July 1, 2025:
 - (A) The operation of interim administrative rules; and
 - (B) The applicability of civil service law,with respect to the medical cannabis dispensary system.

Your Committee received written comments in support of this measure from the Department of Health, Drug Policy Forum of Hawaii, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that this measure will facilitate the safe provision of medical cannabis to qualifying patients in the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2742, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3676 Ways and Means on H.B. No. 2745

The purpose and intent of this measure is to increase access to affordable rental housing.

More specifically, this measure:

- (1) Increases the minimum percentage of units that a rental housing project is required to maintain for low-income tenants;
- (2) Decreases the maximum income ceiling for a family or individual to be considered an eligible tenant under the Rental Assistance Program; and
- (3) Appropriates moneys to be deposited into the rental assistance revolving fund.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, the Governor's Coordinator on Homelessness, Catholic Charities Hawaii, and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments in opposition to this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee finds that increasing the availability of and strengthening eligibility standards for affordable housing will increase access to affordable housing for many low-income households.

Your Committee has amended this measure by:

- (1) Appropriating moneys out of the rental assistance revolving fund to support new rental assistance program contracts; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2745, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2745, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3677 Ways and Means on H.B. No. 2651

The purpose and intent of this measure is to establish a process to upgrade and support next generation wireless broadband infrastructure throughout the State.

This measure also establishes a permitting, application, review, and approval process for wireless service providers to install wireless facilities on State or county owned utility poles, or install associated utility poles, in the right-of-way.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Transportation; Verizon Communications; AT&T; T-Mobile USA, Inc.; CTIA; Maui Chamber of Commerce; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and one individual.

Your Committee received written comments in opposition to this measure from the County of Hawaii; Spectrum/Charter Communications; and Airport Concessionaires Committee.

Your Committee received written comments on this measure from the Department of Land and Natural Resources; Department of Commerce and Consumer Affairs; and County of Maui, County Council.

Your Committee finds that this measure generally strikes the right balance between the important policy goals of encouraging ongoing investment in wireless broadband technologies statewide to stimulate the technology economy and meet the demand of residents and visitors while also maintaining state and county oversight of host facilities in the right-of-way.

Your Committee, however, finds that several state agencies and a private entity have expressed concerns over the measure, which may need to be resolved should this measure proceed to a Conference Committee.

Specifically, the Airport Concessionaires Committee opposed the measure unless public airports are exempted from its provisions. The Department of Land and Natural Resources noted that any user and occupier of public trust lands will be required to apply for a land or building disposition (use and occupancy agreement) pursuant to Chapter 171, Hawaii Revised Statutes. The Department of Commerce and Consumer Affairs advised that the measure should be amended to require the extension of high-speed Internet access that can bridge the digital divide for residents in unserved and underserved areas of the State.

In addition, the Department of Transportation expressed multiple concerns. Specifically, the Department is concerned that timelines for the delivery of upgrades to poles that support wireless infrastructure need to take into account the time required for the manufacture and delivery of upgrades from the continental United States. Second, the Department predicts that the minimal fee structure will not enable the Department to recover the cost for the work, and further, the Department does not believe that it should bear the cost. Third, the Department may possibly violate the requirements of the Federal Aid program if it cannot charge and collect fair market value from the users of the Federal Aid system. Fourth, the Department believes that thirty days is an insufficient amount of time for the State to review the initial permit applications for completeness, content, and compliance with applicable standards, regulations, requirements, or practices. Fifth, the Department recommends that the measure should clarify that no work is to be allowed within a right-of-way of a state highway under the jurisdiction of the Highways Division without a permit issued pursuant to section 264-6, Hawaii Revised Statutes. Finally, the Department requests that airport properties be excluded from the measure; otherwise, the measure could impair the Airport Division's existing exclusive contract with an outside provider to provide wireless and DAS cellular-connect services at the public airports.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2651, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3678 Ways and Means on H.B. No. 2738

The purpose and intent of this measure is to improve access to healthcare for children.

More specifically, this measure:

- (1) Establishes and appropriates funds for a three-year pilot program to provide health care services to uninsured newborn children who are at least one day old and no more than thirty days old;
- (2) Establishes and appropriates funds for a three-year pilot program to provide health care coverage to qualified uninsured children who are between thirty-one days old and nineteen years old; and
- (3) Requires the Department of Human Services to report to the Legislature on the pilot programs.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Human Services.

Your Committee finds that there is a significant population of uninsured children who are not eligible for health care coverage through any state or federal program and who typically do not receive an appropriate level of medical care.

Your Committee notes the Department of Human Services' concerns that:

- (1) Additional appropriations and resources will be necessary to implement and administer the two pilot programs;
- (2) Using the estimated number of uninsured children noted in the measure, the estimated costs to be split between a health insurer and the Department will be approximately \$18,277,050 per year, of which \$9,138,525 (plus additional administrative costs for administering and overseeing the new programs) must be paid from state funds each year; further, none of these costs will be eligible for federal matching funds;
- (3) The Department is not aware of a health plan or plans that are willing to cover half of the costs of the pilot programs; and
- (4) The measure does not propose any income limitations for eligible children.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2738, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2738, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3679 Ways and Means on H.B. No. 2598

The purpose and intent of this measure is to require the Department of Labor and Industrial Relations to establish paid family leave for all workers in the State by January 1, 2020.

Your Committee received written comments in support of this measure from the Office of the Governor, Department of Human Services, Hawai'i State Commission on the Status of Women, Hawaii State Democratic Women's Caucus, AARP Hawaii, American Civil Liberties Union of Hawaii, Mental Health America of Hawaii, Hawaii Women's Coalition, Hawaii State Teachers Association, Caring Across Generations, Hawaii Public Health Institute, International Brotherhood of Electrical Workers Local Union 1260, Hawaii State AFL-CIO, Hawaii Government Employees Association, Hawaii Appleseed Center for Law & Economic Justice, Hawaii Children's Action Network, YWCA Oahu, PHOCUSED, Planned Parenthood Votes Northwest and Hawaii, Community Alliance on Prisons, IMUAlliance, American Association of University Women-Hawaii, Healthy Mothers Healthy Babies, Americans for Democratic Action Hawaii, Hawaii Women Lawyers, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and approximately thirty-three individuals.

Written comments in opposition were received from the Hawaii Transportation Association, Hawaii Food Industry Association, National Federation of Independent Business, Society for Human Resource Management-Hawaii, Il Gelato Hawaii, Maui Chamber of Commerce, Kualapuu Market Ltd., Maui Soda & Ice Works, Ltd., Chamber of Commerce Hawaii, Hawaii Restaurant Association, Gyotaku Japanese Restaurants, Larry Jefts Farms, LLC, Building Industry Association of Hawai'i, Retail Merchants of Hawaii, Centerscale Automation Hawaii Inc., Hawaii Credit Union League, and five individuals.

The Department of Labor and Industrial Relations, Legislative Reference Bureau, The Queen's Health Systems, Hawaii Lodging & Tourism Association, ProService Hawaii, General Contractors Association of Hawaii, Hawaii Pacific Health, and ILWU Local 142 submitted written comments on the measure.

Your Committee finds that this measure will benefit employees who cannot afford to take unpaid leave to care for a family member with a serious health condition.

Your Committee has amended this measure by:

- (1) Deleting language that:
 - (A) Established a paid family leave special fund and referenced the special fund;
 - (B) Required the Department of Labor and Industrial Relations to select a paid family leave model and adopt rules that establish paid family leave;
 - (C) Established a Paid Family Leave Implementation Board within the Department of Labor and Industrial Relations and required the Implementation Board to develop an analysis and implementation plan and report to the Legislature;
 - (D) Required the Legislative Reference Bureau to conduct a study, including an actuarial analysis; and
 - (E) Required the collection of payments from employers and employees by July 1, 2021;
- (2) Changing the date by which paid family leave shall be established from January 1, 2020, to January 1, 2021;
- (3) Specifying that a paid family leave program shall include an expanded temporary disability insurance program and shall begin processing payments by July 1, 2022;
- (4) Specifying that the Department of Labor and Industrial Relations shall report to the Legislature on its progress in meeting its obligations under this measure;
- (5) Changing the means of financing the appropriation to the Department of Labor and Industrial Relations to establish a paid family leave program, from the paid family leave special fund to the general fund; and
- (6) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2598, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2598, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 3680 Ways and Means on H.B. No. 2557

The purpose and intent of this measure is to support the Pacific International Space Center for Exploration Systems' internship and economic development programs.

Your Committee received written comments in support of this measure from the Pacific International Space Center for Exploration, the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and three concerned individuals.

Your Committee received written comments in opposition to this measure from two concerned individuals.

Your Committee finds that support for the Pacific International Space Center for Exploration Systems' internship and economic development programs will enable those programs to continue to promote interest among Hawaii's youth in science, technology, engineering, and math and develop skills in those disciplines.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2557, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3681 Ways and Means on H.B. No. 2471

The purpose and intent of this measure is to protect consumers who borrow small dollar installment loans by:

- (1) Establishing requirements for small dollar installment loans, including maximum loan amounts, monthly payments and fees, a written agreement, the authorized interest rate, and the right of rescission;
- (2) Requiring small dollar lenders to be licensed by the Commissioner of Financial Institutions;
- (3) Repealing the deferred deposits law; and
- (4) Making an appropriation out of the compliance resolution fund to implement the small dollar installment loan program.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs, Catholic Charities Hawaii, Hawaiian Community Assets, Aloha United Way, Mental Health America of Hawaii, Hawaii Appleseed Center for Law and Economic Justice, H&R Block, HACBED, and five individuals.

Your Committee received written comments in opposition to this measure from Money Service Centers of Hawaii, Inc.

Your Committee received written comments on this measure from the Department of Taxation and the Office of Information Practices.

Your Committee finds that borrowers of short-term loans have not been adequately protected by the deferred deposits agreement law, which has instead placed borrowers in danger of falling into an endless debt trap. Your Committee finds that the more comprehensive regulatory structure created in this measure will ensure that borrowers of short-term loans are more adequately protected from predatory practices that may place them in severe financial peril.

Your Committee has amended this measure by:

- (1) Correcting a cross-reference in the new provision relating to the authorized interest rate;
- (2) Adding exemptions from the new licensing law for open end credit plans and tax refund anticipation loans;
- (3) Correcting a cross-reference to Truth in Lending (Regulation Z), 12 C.F.R. part 1026;
- (4) Providing for consistency in the numerous references in the measure to controlling persons, executive officers, directors, general partners, and managing members;
- (5) Linking two provisions relating to the maximum loan amount through a cross-reference;
- (6) Changing the appropriation out of the compliance resolution fund to an unspecified amount;
- (7) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (8) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2471, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2471, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3682 Ways and Means on H.B. No. 2330

The purpose and intent of this measure is to clarify the Hawaii Housing Finance and Development Corporation's authority to approve and certify for exemption from general excise and use taxes any qualified person or firm involved in the new construction or substantial rehabilitation of certain housing projects.

The measure also repeals certain application and monetary limitations on the tax exemptions and prohibits tax exemption recipients from discriminating against potential tenants because they utilize vouchers or certificates provided under Section 8 of the United States Housing Act of 1937.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development and Tourism; Department of Taxation; Hawaii Housing Finance and Development Corporation; Hawaii Public Housing Authority; Hawaii Construction Alliance; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Office of Hawaiian Affairs and Tax Foundation of Hawaii.

Your Committee finds that this measure will facilitate the availability of affordable housing by providing businesses a reasonable incentive to construct new housing or substantially rehabilitate existing housing.

Your Committee has amended this measure by:

- (1) Removing the requirement that the total weighted average of all units provided in an approved and certified project be no more than one hundred percent of the area median family income;
- (2) Changing the effective date to July 1, 2018; and
- (3) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2330, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2330, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3683 Ways and Means on H.B. No. 2305

The purpose and intent of this measure is to extend the sunset date for the pesticide subsidy program manager position and the manager position's civil service exemption to June 30, 2022, to mitigate the coffee berry borer.

Your Committee received written comments in support of this measure from the Department of Agriculture; County of Hawaii, Office of the Mayor; Land Use Research Foundation of Hawaii; Hawaii Farm Bureau; ILWU Local 142; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the Department of Agriculture will need to retain the Department's pesticide subsidy program manager for an additional year after the program's sunset date of June 30, 2021, to process applications for subsidies of costs incurred in the final year of the program.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2305, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2305, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 3684 Ways and Means on H.B. No. 2169

The purpose and intent of this measure is to appropriate moneys to the Department of Health to support youth suicide early intervention, prevention, and education initiatives in the County of Maui.

Your Committee received written comments in support of this measure from the Office of Youth Services, Maui County Commission on Children and Youth, Hawaii Family Forum, the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, U.S. Army Garrison Hawaii - Suicide Prevention Program, and one concerned individual.

Your Committee received written comments on this measure from the Department of Health.

Your Committee finds that supporting youth suicide intervention, prevention, and education initiatives in the County of Maui will help to reduce the County's high rate of youth suicide attempts.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2169, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2169, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Inouye, Kahele).

SCRep. 3685 Ways and Means on H.B. No. 2746

The purpose and intent of this measure is to appropriate funds to the Office of Planning for administration and operation of the special action team on affordable rental housing.

Furthermore, this measure adds three new members to the special action team, elevates the Executive Director of the Hawaii Housing Finance and Development Corporation to co-chairperson, and adds extremely low-income and very low-income families and individuals to the target groups served by the special action team.

Your Committee received written comments in support of this measure from the Governor's Coordinator on Homelessness, Office of Planning, Hawaii Housing Finance and Development Corporation, Catholic Charities Hawaii, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and one individual.

Your Committee finds that to successfully address homelessness, the State must develop housing solutions not only for those who are currently homeless but also for extremely low-income and very low-income families and individuals, who are at the greatest risk of becoming homeless if rents continue their sharply rising trend.

Your Committee has amended this measure by making a technical nonsubstantive change for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2746, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2746, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Inouye, Kahele).

SCRep. 3686 Ways and Means on H.B. No. 474

The purpose and intent of this measure is to appropriate moneys to the University of Hawaii at Hilo for activities, including programs and studies, related to the prevention and eradication of rat lungworm disease.

Your Committee received written comments in support of this measure from the Department of Agriculture; Department of Land and Natural Resources; County of Hawaii, Mayor's Office; Hawaii County Council; University of Hawaii System; Coordinating Group on Alien Pest Species; Hawaii Farm Bureau Federation; Hawaii Farm to School Hui; Hilo Medical Center; Ka Ohana O Na Pua; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Oahu Farm to School Network; and nine individuals.

Your Committee finds that appropriating moneys to the University of Hawaii at Hilo to perform activities, including programs and studies, related to preventing and eradicating rat lungworm disease will help to reduce rat lungworm infection in the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 474, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3687 Ways and Means on H.B. No. 538

The purpose and intent of this measure is to establish a special fund to accept revenues from Medicaid administrative claiming relating to the Hawaii home and community-based services for people with intellectual and developmental disabilities waiver.

This measure also establishes a working group to examine and evaluate the application process of the Hawaii Medicaid section 1915(c) home and community-based services for people with an intellectual and developmental disabilities waiver.

Your Committee received written comments in support of this measure from the Department of Health, Department of Human Services, State Council on Developmental Disabilities, The Arc in Hawaii, Catholic Charities Hawaii, Hawaii Disability Rights Center, Full Life, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that this measure establishes a special fund necessary to support the new federal requirements regarding the implementation of the home and community-based services for people with intellectual and developmental disabilities waiver program.

Your Committee notes that the Department of Health submitted testimony suggesting that section 5 of the measure, which requires the State Council on Developmental Disabilities to establish a working group, be deleted to align with the contents of S.B. No. 2798, the companion bill to this measure, and to focus more on the establishment of a special fund for the Medicaid waiver program. The Department of Health also noted its own efforts to convene stakeholders to address the matters assigned to the working group. The Department of Human Services submitted similar testimony also suggesting that section 5 be deleted. The Department of Human Services noted that current rules already allow for the formation of a similar working group and requested that, if the measure establishes a working group, a representative from the Med-Quest Division be named as a member. Finally, the State Council on Developmental Disabilities also submitted testimony requesting that section 5 be deleted based upon the Council's belief that federal law allows for the creation of a working group without state legislation. The State Council on Developmental Disabilities also noted that it had commitments from the Developmental Disabilities Division of the Department of Health, Hawaii Disability Rights Center, and University of Hawaii Center on Disabilities Studies to work with families and individuals with disabilities to improve the application process and access to resources for the waiver program and other services.

Your Committee has amended this measure by:

- (1) Clarifying that the term "section 1915(c)" refers to section 1915(c) of the Social Security Act;
- (2) Specifying that the individuals appointed as members of the working group due to being a parent or guardian of children with developmental disabilities may be reimbursed for reasonable expenses incurred in their duties as members of the working group; and
- (3) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

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

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3688 Ways and Means on H.B. No. 1270

The purpose and intent of this measure as received by your Committee is to appropriate funds for and to direct the Board of Land and Natural Resources to enter into negotiations to acquire and conduct due diligence of the property identified as Tax Map Key: (3) 6-8-001:030 Kamuela, Hawaii.

Additionally, this measure as received authorizes the issuance of general obligation bonds for the purchase of the property.

Prior to decision making on this measure, a Proposed Senate Draft 2 (Proposed S.D. 2) of this measure was circulated for public review and comment.

The purpose of the Proposed S.D. 2 is to establish and appropriate funds for the agricultural land acquisition fund, which is to be partially financed by a portion of the state environmental response, energy, and food security tax and to be administered by the Agribusiness Development Corporation to acquire, administer, maintain, and manage agricultural lands and irrigation systems to improve food security.

Your Committee received testimony in support of the Proposed S.D. 2 from the Department of Agriculture, the Agribusiness Development Corporation, the Hawaii Farm Bureau Federation, the Ulupono Initiative, the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and the Hawaii Cattlemens Council.

Your Committee received testimony in opposition to the Proposed S.D. 2 from the League of Women Voters of Hawaii.

Your Committee received comments on the Proposed S.D. 2 from the Department of Budget and Finance and the Tax Foundation of Hawaii.

Your Committee finds that, since land is a critical component in enhancing the State's food security, acquiring agricultural lands may significantly increase the available agricultural land for food production and may offer additional possibilities to boost the economic viability of the State's entire agriculture industry.

Your Committee has amended this measure as received by:

- (1) Designating the existing contents of the S.D. 1 of this measure as part I;
- (2) Changing the general obligation bond and the general fund appropriations in part I to unspecified amounts;
- (3) Incorporating the Proposed S.D. 2 as part II;
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive amendments for the purposes of style and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1270, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1270, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3689 Ways and Means on H.B. No. 1624

The purpose and intent of this measure is to delay, from January 1, 2019, to January 1, 2020, the implementation of the insurance producer licensing requirements amended by Act 152, Session Laws of Hawaii 2017.

Your Committee received written comments in support of this measure from the Hawaii Insurers Council.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee received written comments on this measure from the Department of Commerce and Consumer Affairs, Insurance Division.

Your Committee finds that delaying the producer licensing requirements that were amended by Act 152, Session Laws of Hawaii 2017, will give the insurance industry additional time to eliminate producer-to-producer appointments and comply with the law's requirements.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1624, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3690 Ways and Means on H.B. No. 2747

The purpose and intent of this measure is to amend state law relating to individual housing accounts.

More specifically, this measure:

- (1) Changes the cap on annual contribution and deduction amounts and the aggregate cap on contribution amounts for individual housing accounts established after December 31, 2018, to unspecified amounts;
- (2) Changes the deadline for distributing the entire interest for individual housing accounts established after December 31, 2018, to an unspecified number of months after the date on which the first contribution is made;

- (3) Allows community development financial institutions to serve as trustees of individual housing accounts established after December 31, 2018; and
- (4) Requires homebuyer education as a condition of distribution of funds in individual housing accounts by trustees.

Your Committee finds that this measure improves the regulation of individual housing accounts that assist lower- and moderate-income families to save for a down payment to purchase a home.

Your Committee has amended this measure by making technical nonsubstantive amendments for the purposes of consistency and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2747, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2747, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Harimoto, Inouye, Kahele, Shimabukuro).

SCRep. 3691 Ways and Means on H.B. No. 2748

The purpose and intent of this measure is to require, and appropriate funds to, the Hawaii Housing Finance and Development Corporation to study housing waitlists in the State and in each county to gain a better understanding of the current and future demand for and supply of affordable housing suitable for individuals with access and functional needs.

Your Committee did not receive any written comments on this measure.

Your Committee finds that a lack of data about the housing issues faced by individuals with access and functional needs hinders the State's ability to formulate strategies to assist these individuals to secure suitable and affordable housing.

Your Committee has amended this measure by making a technical nonsubstantive change for the purpose of style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2748, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2748, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Harimoto, Inouye, Kahele, Shimabukuro, Wakai).

SCRep. 3692 Ways and Means on H.B. No. 2508

The purpose and intent of this measure is to assist public charter schools with infrastructure and facility costs.

Specifically, this measure:

- (1) Allows funding for rental or lease of facilities under legislative appropriations and bond authorizations to the State Public Charter School Commission for the design, planning, construction, repair, and maintenance of public charter school improvements; and
- (2) Appropriates general funds for infrastructure costs, rental or lease assistance, and the repair and maintenance of network infrastructure for charter schools.

Your Committee received written comments in support of this measure from the State Public Charter School Commission, Office of Hawaiian Affairs, Hawaii State Teachers Association, Hawaii Public Charter School Network, Kamalani Academy, DreamHouse Ewa Beach, IMUAlliance, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, HawaiiKidsCAN, Kua O Ka La NCPSC, Kona Pacific Public Charter School, Hawaii Academy of Arts and Science, Hawaii Children's Action Network, and eleven individuals.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that while the State Public Charter School Commission may request facilities funding in addition to its annual budget request, the amounts received in recent fiscal years have not kept pace with the cost of providing and maintaining high-quality facilities.

Your Committee has amended this measure by inserting a section indicating that repealed statutory material is bracketed and stricken and that new statutory material is underscored.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2508, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2508, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Inouye, Kahele).

SCRep. 3693 Ways and Means on H.B. No. 2131

The purpose and intent of this measure is to address the manner in which sexual assault evidence collection kits are processed, stored, and tracked and to ensure that victims of sexual assault are informed of their rights under the law.

Your Committee received written comments in support of this measure from the Department of the Attorney General, Hawai'i State Commission on the Status of Women, Honolulu Police Department, Hawaii Women Lawyers, The Sex Abuse Treatment Center, Community Alliance on Prisons, Joyful Heart Foundation, Planned Parenthood Votes Northwest and Hawaii, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, YWCA Oahu, Hawaii Women's Coalition, and four individuals.

The Department of the Prosecuting Attorney of the City and County of Honolulu submitted written comments on the measure.

Your Committee finds that this measure will help ensure that sexual assault evidence collection kits are tested in a timely manner and thus enhance public safety and hold offenders accountable.

Your Committee has amended this measure by:

- (1) Defining the term "eligible" with respect to DNA analyses and profiles uploaded or entered into DNA databases;
- (2) Inserting a proviso that acknowledges the Department of the Attorney General will need an additional \$350,743 beyond the amount the Department is currently authorized to expend from the DNA registry special fund in FY 2018-2019;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

Your Committee notes that although the measure defines "DNA", the measure references "autosomal DNA". The reason for this distinction is not readily apparent. If the reference to "autosomal" is unnecessary, then for clarity, it may be preferable to delete all references to "autosomal" and amend the definition of "DNA" to provide that the term has the same meaning as in section 844D-1, Hawaii Revised Statutes. Your Committee respectfully requests that this issue be considered as the measure moves forward in the legislative process.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2131, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2131, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3694 Ways and Means on H.B. No. 1774

The purpose and intent of this measure is to facilitate the payment of court-ordered restitution to crime victims.

Your Committee received written comments in support of this measure from the Crime Victim Compensation Commission, Honolulu Prosecutor's Office, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual.

Written comments in opposition were received from the Community Alliance on Prisons and one individual.

The Department of the Attorney General submitted written comments on the measure.

Your Committee finds that the income withholding process established by this measure will help to enforce restitution orders issued in criminal cases.

Your Committee has amended this measure by:

- (1) Inserting a definition for "business day" that had been included in the H.D. 1 version of the measure; and
- (2) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1774, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1774, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Inouye, Kahele).

SCRep. 3695 Ways and Means on H.B. No. 2753

The purpose and intent of this measure is to establish various pilot programs and initiatives to address problems encountered by homeless individuals and to reduce homelessness in the State.

Your Committee received written comments in support of this measure from the Mayor of the County of Hawaii; Aloha United Way; The Queen's Health Systems; Foo W. Lim & Sons, Inc.; Hawaii Kai Homeless Task Force; Community First; Hawaii Psychological Association; IMUAlliance; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and Pele Lani Farm LLC.

Written comments on this measure were received from the Governor's Coordinator on Homelessness, Department of Land and Natural Resources, Department of Human Services, City and County of Honolulu Mayor's Office of Housing, and Catholic Charities Hawaii.

Your Committee finds that homelessness is a complex issue with many causes. The programs and initiatives established by this measure will help to address many of the causes of homelessness and develop future programs to reduce homelessness in Hawaii.

Your Committee has amended this measure by:

- (1) Requiring the Department of Human Services' Homeless Programs Office to consult with landholding state agencies as well as homeless advocates in identifying and evaluating locations where an ohana zone may be established;
- (2) Requiring that at least fifty per cent of the manufacturing labor costs of each dwelling in an ohana zone be incurred in the State;
- (3) Deleting the requirement that the total sum of funding for the coordinated statewide homeless initiative shall be provided to the master contractor at the start of the program;
- (4) Adding a requirement that the appropriation for the coordinated statewide homeless initiative shall include fiscal accountability safeguards that address upfront payment accountability measures;
- (5) Clarifying that the matching funds provided by the Department of Health for the emergency department homeless assessment pilot program shall reimburse entities for one-half of the expenses related to the program if equally matched by the participating hospital;
- (6) Requiring that an interim report for the pre-arrest diversion pilot project shall be submitted no later than January 1, 2020, and that the final report be submitted prior to the convening of the 2021 Regular Session;
- (7) Requiring that the entities that receive funds appropriated by the measure enter relevant data into the homeless management information system; and
- (8) Making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2753, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2753, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 3696 Ways and Means on H.B. No. 2352

The purpose and intent of this measure is to include a member of the Native Hawaiian Education Council and a non-voting public university student teacher on the Hawaii Teacher Standards Board and clarify that a permit is required for unlicensed teachers serving in public schools.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs; University of Hawaii System; Hawaii Teacher Standards Board; Native Hawaiian Education Council; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and one individual.

Your Committee finds that adding two members to the Hawaii Teacher Standards Board and clarifying the permit requirements for unlicensed teachers in public schools will help to ensure that educators are appropriately qualified to teach in Hawaii's classrooms.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2352, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Inouye, Kahele).

SCRep. 3697 Ways and Means on H.B. No. 2281

The purpose and intent of this measure is to address homelessness in the State.

Specifically, this measure:

- (1) Establishes within the Department of Human Services an Ohana Zones Program to provide housing to homeless individuals and families based on principles similar to those used in "housing first" programs and appropriates moneys for the program;
- (2) Appropriates moneys to:
 - (A) The Hawaii Public Housing Authority, for public housing improvements and to administer a Housing Homeless Children Pilot Program;
 - (B) The Department of Human Services, for the continuation of the Housing First, Rapid Rehousing, and Outreach Services programs, including funding for civil legal services, and for the Family Assessment Center; and
 - (C) The Department of Health, for the continuation of outreach, counseling, and diversion programs, including funding for the Law Enforcement Assisted Diversion Pilot Program; and
- (3) Establishes within the Department of Health an Emergency Department Homelessness Assessment Pilot Program and a Medical Respite Pilot Program, requires the Department of Health to report to the 2019 Legislature on the pilot programs, and appropriates moneys for the pilot programs.

Your Committee received written comments in support of this measure from the Governor's Coordinator on Homelessness; County of Hawaii, Mayor's Office; Hawaii Substance Abuse Coalition; The Queen's Health Systems; American Civil Liberties Union of Hawaii; Foo W. Lim & Sons, Inc.; PHOCUSED; Community Alliance on Prisons; IMUAlliance; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Hawai'i Justice Coalition; Catholic Charities Hawaii; Hawaii Advocates for Consumer Rights; The Kupuna Caucus of the Democratic Party of Hawaii; Ohana Ho'opakele; Drug Policy Forum of Hawaii; Legal Aid Society of Hawaii; Hawaii Kai Homeless Task Force; Pele Lani Farm LLC; and five individuals.

The Department of Land and Natural Resources, Hawaii Public Housing Authority, and Mayor's Office of Housing submitted written comments on the measure.

Your Committee finds that this measure's multi-faceted approach to providing housing and supportive services to individuals and families experiencing homelessness is necessary to more effectively address one of the most challenging issues in the State.

Your Committee has amended this measure by:

- (1) Deleting language that references the establishment of the Ohana Zones Program within the Department of Human Services and specifying that the Governor shall designate an executive branch agency with expertise in construction and housing development to develop and implement the program, and making conforming amendments to the related appropriation section; and
- (2) Specifying that the designated agency that develops and implements the Ohana Zones Program shall work with the Department of Land and Natural Resources on certain specified issues if any Department of Land and Natural Resources lands are determined to be suitable for program use.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2281, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2281, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3698 Ways and Means on H.B. No. 2174

The purpose and intent of this measure is to establish the high-growth grant program to provide businesses with a proven ability to export products with assistance in expanding, improving productivity, and investing in food safety or quality control programs.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Makai Ocean Engineering, Inc.; Hawaii Farm Bureau Federation; Chamber of Commerce Hawaii; and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that this measure will help to diversify Hawaii's economy by assisting businesses in expanding into value added production and making products that can compete in the global marketplace.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2174, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2174, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Inouye, Kahele).

SCRep. 3699 Ways and Means on H.B. No. 2165

The purpose and intent of this measure is to establish and appropriate moneys for the Hawaii promise program to provide scholarships for the unmet direct cost needs of qualified students enrolled at any University of Hawaii campus, including any community college campus.

Your Committee received written comments in support of this measure from the Department of Education; the University of Hawaii System; Kamehameha Schools; Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; and one individual.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that the measure addresses a statewide concern by facilitating the State's efforts to have an educated labor force and engaged citizenry, which are essential in today's global, knowledge-based economy.

Your Committee has amended the measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2165, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2165, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Inouye, Kahele).

SCRep. 3700 Ways and Means on H.B. No. 2538

The purpose and intent of this measure is to authorize the Director of Finance to issue general obligation bonds for the planning, designing, and construction of a livestock feed mill.

Prior to decision making on this measure, your Committee made available for public review a proposed S.D. 2 (Proposed Draft) of this measure. The Proposed Draft amends the measure by replacing its entire contents with provisions that amend the descriptions of capital improvement projects related to a livestock feed mill and a waste stream recycling facility on Oahu in the General Appropriations Act of 2015, as amended.

Your Committee received testimony in support of the S.D. 1 version of the measure from the Department of Agriculture, Ulupono Initiative, and Hawaii Cattlemens Council.

Your Committee received testimony in support of the Proposed Draft from the Agribusiness Development Corporation, Hawaii Farm Bureau, and the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that constructing a livestock feed mill in the State will reduce livestock production costs by eliminating the high cost of importing feed.

Your Committee has amended the measure by clarifying that certain appropriations made under Act 119, Session Laws of Hawaii 2015, as amended by Act 124, Session Laws of Hawaii 2016, and Acts 29 and 49, Session Laws of Hawaii 2017, are lapsed.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2538, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2538, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3701 Ways and Means on H.B. No. 2358

The purpose and intent of this measure is to make changes to provisions of law affecting land owned by the Hawaii Public Housing Authority.

Specifically, this measure:

- (1) Excludes from the definition of "public lands" those lands set aside by the Governor to the Hawaii Public Housing Authority or lands to which the Hawaii Public Housing Authority holds title in its corporate capacity; and
- (2) Requires legislative approval of the sale or gift of lands set aside by the Governor to the Hawaii Public Housing Authority or lands to which the Hawaii Public Housing Authority holds title in its corporate capacity.

Your Committee received written comments in support of this measure from the Hawaii Public Housing Authority.

Your Committee received written comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that failure to exempt those lands to which the Hawaii Public Housing Authority holds title from the definition of "public lands" may unnecessarily delay Hawaii Public Housing Authority redevelopment projects, due to the need for the Board of Land and Natural Resources to review and take action on applicable land leases.

Your Committee has amended this measure by:

- (1) Excluding from the definition of "public lands" those lands to which the Department of Education, Hawaii State Public Library System, or Hawaii Health Systems Corporation holds title; and
- (2) Requiring legislative approval for the sale or gift of lands owned by the Department of Education, Hawaii State Public Library System, or Hawaii Health Systems Corporation.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2358, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2358, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3702 Ways and Means on H.B. No. 2328

The purpose and intent of this measure is to make certain clarifying amendments with respect to housing law.

Specifically, the measure clarifies:

- (1) The terms and applicability of the Hawaii Housing Finance and Development Corporation's authority to exercise or transfer to a qualified nonprofit housing trust the first option to purchase affordable housing units developed with the Corporation's financing or assistance; and
- (2) That Act 159, Session Laws of Hawaii 2017 (Act 159), does not affect rights, duties, and obligations that have matured through a signed contract or disclosure by way of a preliminary offering statement filed with the Real Estate Commission before the Act's effective date.

Your Committee finds that this measure provides clarification with respect to the first option to purchase certain affordable housing units.

Your Committee notes that section 2 of the measure amends section 8 of Act 159 by repealing that section's existing language and replacing it with an entirely new provision. The measure's justification sheet (included in the original draft of the measure) and testimony from the Hawaii Housing Finance and Development Corporation and the Department of Business, Economic Development,

and Tourism submitted to the Senate Committee on Housing indicate that the new provision clarifies that Act 159 does not retroactively apply to the Corporation's housing projects developed or sold prior to Act 159's effective date. However, your Committee further notes that the proposed new language of section 8, Act 159, appears to be narrower in scope than the existing provision of section 8, Act 159, which has standard and broad language designed to prevent the inadvertent retroactive application of the provisions of an act. Hence, due to the numerous provisions and amendments that appear in Act 159, it is possible that the repeal of the existing language of section 8 may lead to unintended consequences.

Due to the extensive scope of Act 159 and the limited time frame that your Committee has had to consider this measure, it is not yet apparent what those unintended consequences might be. It may be prudent to insert the new proposed provision of section 8, Act 159, as amended by this measure, but also maintain the existing language of that section.

Your Committee respectfully requests that the Committee on Conference consider this issue further and, if necessary, consult legislative counsel or the Department of the Attorney General.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2328, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2328, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Harimoto, Inouye, Kahele, Shimabukuro, Wakai).

SCRep. 3703 Ways and Means on H.B. No. 2162

The purpose and intent of this measure is to require that funding for charter school teacher incentives, bonuses, and other compensation beyond regular wages be made in a separate budget appropriation and not be expended from the charter school's facilities funding or per-pupil funds.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, State Public Charter School Commission, Waimea Middle School, Kualapuu Public Conversion Charter School, Kamaile Academy Public Charter School, Hawaii State Teachers Association, Hawaii Public Charter Schools Network, Hookakoo Corporation, Hawaii Academy of Arts and Science, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and five individuals.

The Department of Budget and Finance submitted written comments on this measure.

Your Committee finds that due to the small size of charter schools and the limited amount of funds allocated to each school, many charter schools cannot absorb the costs of teacher incentive payments. This measure will allow charter schools to provide their teachers with bonuses without adversely impacting funding for other charter school expenses.

Your Committee has amended this measure by making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2162, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2162, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Inouye, Kahele).

SCRep. 3704 Ways and Means on H.B. No. 2046

The purpose and intent of this measure is to appropriate moneys to the Department of Agriculture and the University of Hawaii to support little fire ant mitigation efforts in the State.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; the Department of Agriculture; County of Hawaii, Office of the Mayor; Hawaii County Council; the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii; Little Fire Ant HUI; Big Island Invasive Species Committee; Hawaii Farm Bureau Federation; Landscape Industry Council of Hawaii; Ka Ohana O Na Pua; Holualoa Machi Kumiai; for Hawaii Cattlemens Council; and twenty-two concerned individuals.

Your Committee finds that supporting little fire ant mitigation efforts of the Department of Agriculture and the University of Hawaii will reduce the threat to the health, economy, and agriculture of the State posed by the little fire ant.

Your Committee has amended this measure by:

- (1) Changing all appropriated amounts to unspecified sums to facilitate further discussion on the measure;
- (2) Inserting the contents of S.B. No. 2399, S.D. 2, H.D. 1, as a Part II of the measure, to, among other things, restructure the Hawaii Invasive Species Council as the Hawaii Invasive Species Authority to better coordinate invasive species mitigation and eradication initiatives; and
- (3) Changing the effective date to July 1, 2051, for sections 6, 7, and 8, and July 1, 2050, for the remainder of the Act to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2046, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2046, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3705 Ways and Means on H.B. No. 1577

The purpose and intent of this measure is to establish the composting grant pilot project working group.

Prior to decision making on this measure, your Committee made available for public review a proposed S.D. 2 (Proposed Draft) of this measure. The Proposed Draft:

- (1) Requires the Department of Agriculture to establish and implement a compost reimbursement pilot program to provide cost reimbursement to local farmers and ranchers for the purchase of compost;
- (2) Establishes a full-time, temporary compost reimbursement pilot program manager position within the Department;
- (3) Requires the Department to submit a report of its findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 2022; and
- (4) Appropriates moneys to the Department for the pilot program, the program manager position, and other administrative costs of the program.

Your Committee received testimony in support of the Proposed Draft from the Department of Agriculture, Hawaii Farm Bureau, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that promoting the recycling of food waste into compost will benefit the environment by removing a major source of waste from streams and landfills and reducing greenhouse gas emissions.

Your Committee has amended this measure by:

- (1) Inserting the contents of the Proposed Draft as a Part II of the measure;
- (2) Inserting a lapsing date of June 30, 2020, for the appropriation for the compost reimbursement pilot program;
- (3) Changing the effective date to "upon approval"; and
- (4) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1577, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1577, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Inouye).

SCRep. 3706 Ways and Means on H.B. No. 2605

The purpose and intent of this measure is to amend various laws relating to transient accommodations.

Specifically, the measure:

- (1) Establishes a process by which the Director of Taxation may permit a transient accommodations broker to register to act as a tax collection agent with respect to transient accommodations taxes and general excise taxes for its operators and plan managers;
- (2) Provides that any violation of a county transient accommodations ordinance shall result in, at a minimum, a civil penalty of not less than \$25,000 to be levied by the county planning director;
- (3) Authorizes counties to require the disgorgement of certain profits obtained through unfair or unlawful business practices;
- (4) Authorizes counties to adopt ordinances prohibiting transient accommodations brokers from engaging in business with an operator or plan manager who is not in compliance with all state laws and county ordinances, including laws and ordinances regarding land use, taxes, and professional licenses;
- (5) Authorizes counties to adopt ordinances requiring an operator or plan manager to remove certain noncompliant advertisements within seven days of receiving a notice, a violation of which shall be subject to a civil fine of not less than \$25,000, to be levied by the county planning director of the county where the subject property is located;
- (6) Authorizes counties to adopt ordinances to amortize or phase out transient vacation rental units;
- (7) Provides that, upon the establishment by a county of a process for providing verification of compliance by an operator or plan manager with that county's land use ordinances, the State shall transfer, from the transient accommodations tax revenues, up to \$1,000,000 to each county for implementation or enforcement of those land use ordinances; and
- (8) Establishes a new chapter of the Hawaii Revised Statutes to regulate transient accommodations that, among other things:
 - (A) Prohibits a person who is acting as, or on behalf of, a transient accommodations broker from:
 - (i) Engaging in business with an operator or plan manager, including any person or entity employed, contracted, or otherwise engaged by the operator or plan manager, who is not in compliance with all state laws and county ordinances, including any laws and ordinances regarding land use, taxes, and professional licenses; or

- (ii) Employing, contracting, or otherwise engaging in business with any person or entity to manage any property of the operator or plan manager or to act as an activity provider for transients served by the operator or plan manager if the person or entity is not in compliance with all state laws and county ordinances, including any laws and ordinances regarding land use, taxes, and professional licenses; and
- (B) Prohibits a person acting as, or on behalf of, a hosting platform from providing, and collecting a fee for, booking services in connection with transient vacation rentals located in the State if those transient vacation rentals are not lawfully certified, registered, or permitted as a transient vacation rental under applicable county ordinance at the time the transient vacation rental is rented.

Your Committee received written comments in support of this measure from the Office of the Governor; Department of Taxation; Office of Hawaiian Affairs; Department of Planning and Permitting, City and County of Honolulu; Planning Department, County of Kauai; two members of the Maui County Council; American Hotel and Lodging Association; Hawaii Advocates For Consumer Rights; Hawaii Lodging and Tourism Association; Hilton Hawaii; Keep It Kailua; Kohala Coast Resort Association; Kupuna Caucus of the Democratic Party of Hawaii; Marriott Resorts Hawaii; Pacific Resource Partnership; and eight individuals.

Your Committee received written comments in opposition to this measure from Airbnb; Bridges to Paradise Rentals, Inc.; Coalition for Equal Taxation; Condominium Rentals Hawaii Expedia, Inc.; Hale Ono Loa Owners Association; Hawaii Vacation Rental Association; Kona Coast Vacations; Maui Nuts, LLC; Rental By Owner Awareness Association; Rocky Point Properties, LLC; Timberline Land Co. HI, LLC; and numerous individuals.

Your Committee received written comments on this measure from the Department of the Attorney General; Department of Budget and Finance; Hawaii Tourism Authority; Office of the Mayor, County of Hawaii; Tax Foundation of Hawaii; UNITE HERE Local 5; and four individuals.

Your Committee finds that this measure establishes a workable framework to monitor the lawful provision of transient accommodations while ensuring the collection of taxes and the promotion of fair business practices.

Your Committee has amended this measure by:

- (1) Inserting a one-time tax amnesty program for certain eligible taxpayers with respect to transient accommodations tax and general excise tax liabilities;
- (2) Replacing a requirement that a transient accommodations broker place certain information in certain advertisements with a requirement that the broker notify the operator or plan manager that such information is required in those advertisements under law;
- (3) Changing the penalties in the new chapter of the Hawaii Revised Statutes from criminal penalties to civil penalties; and
- (4) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2605, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2605, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Kidani).

SCRep. 3707 Labor on Gov. Msg. No. 503

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR OF THE DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT

G.M. No. 503 RYKER WADA, for a term to expire at noon on 12-03-2018

Your Committee reviewed the personal history, resume, and statement submitted by Ryker Wada for service as the Director of Human Resources Development.

Your Committee received testimony in support of the nomination for the appointment of Mr. Wada from the Office of the Governor; Comptroller; Department of Human Resources Development; Department of Agriculture; Department of Budget and Financing; Office of Enterprise Technology Services; Department of Labor and Industrial Relations; Department of Land and Natural Resources; Department of Transportation; United Public Workers, AFSCME, Local 646, AFL-CIO; State of Hawaii Organization of Police Officers; Hawaii State Teachers Association; and eighteen individuals.

Ryker J. Wada is currently the Interim Director of Human Resources Development. Previously, he served as the Deputy Director of Human Resources Development and as the Personnel Regional Officer of the Department of Education from February 2015 to January 2017. Mr. Wada has served, among other positions, as a managing attorney for the Legal Aid Society of Hawaii; Legislative Specialist in the Business Registration Division of the Department of Commerce and Consumer Affairs; Law Clerk at Wong Oshima, Attorneys at Law; and a staff attorney for the House of Representatives Committee on Consumer Protection and Commerce during the Regular Session of 2001. While Mr. Wada is currently an inactive member of the Hawaii State Bar Association, he was first admitted to practice law in the State in 2003. The nominee received a Juris Doctorate from the University of California, Hastings College of Law and a Bachelor of Arts in Political Science from the University of Washington.

Your Committee believes that the nominee, with over fifteen years of legal and human resources experience in the public and private sectors, possesses the qualifications to serve as the Director of Human Resources Development. More particularly, his invaluable experience in labor relations will serve him well in the numerous labor protocols overseen by the Department. Testifiers commented on Mr. Wada's intelligence and willingness to expand his knowledge, commitment to ensuring the provision of high

quality services, and approachability, including being supportive, appreciative, and genuinely concerned about the well-being of employees – qualities that will benefit the Department as it strives to fulfill its mandates.

Your Committee notes from the nominee's personal statement that his vision for the Department of Human Resources Development is to enable the Department to provide quality service with improved efficiencies, customer service, and staff support. He will accomplish this by emphasizing open communication and transparency through regular meetings with human resources and personnel officers within executive branch departments. Mr. Wada also aims to make himself available to the community via the department's website and staff. Mr. Wada's highest priority is to increase efficiencies to benefit state employees and the community-at-large.

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

SCRep. 3708 Labor on Gov. Msg. Nos. 633 and 634

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII WORKFORCE DEVELOPMENT COUNCIL

G.M. No. 633 SHERYL NOJIMA, for a term to expire 06-30-2022; and

G.M. No. 634 SEAN KNOX, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Sheryl Nojima and Sean Knox for service on the Hawaii Workforce Development Council.

Sheryl Nojima

Your Committee received testimony in support of the nomination for the reappointment of Sheryl Nojima from the Department of Labor and Industrial Relations, Workforce Development Council, American Council of Engineering Companies of Hawaii, and three individuals.

Upon review of the testimony, your Committee finds that Ms. Nojima's experience in engineering, background, and knowledge qualify her for reappointment to the Hawaii Workforce Development Council as a representative of the private sector, including nonprofit organizations and businesses in the State. Ms. Nojima is currently employed with the engineering firm Gray, Hong, Nojima & Associates, Inc., where she is responsible for the environmental and civil services of the firm. Ms. Nojima has a Doctorate of Philosophy and Master of Business Administration from the University of Hawaii at Manoa. Previously, Ms. Nojima was employed as a project manager with Shimabukuro, Endo & Yoshizaki, Inc.; Assistant Dean and Faculty Specialist in the College of Engineering at the University of Hawaii at Manoa; Civil Engineer V with the City and County of Honolulu's Department of Public Works; and a Project Engineer at EDP Hawaii, Inc. Your Committee finds that Ms. Nojima brings to the Council extensive expertise in engineering and the construction industry to assist the Council in meeting the current and future needs of these industry sectors.

Sean Knox

Your Committee received testimony in support of the nomination for the reappointment of Sean Knox from the Department of Labor and Industrial Relations, Workforce Development Council, and two individuals.

Upon review of the testimony, your Committee finds that Mr. Knox's experience in employment services, background, and knowledge qualify him for reappointment to the Hawaii Workforce Development Council as a representative of the private sector, including nonprofit organizations and businesses in the State. Mr. Knox is currently employed as the President, CEO, and Partner of Hawaii Employment Services, where he matches thousands of employees with employers throughout the State, including 2,086 employees in 2017. Mr. Knox has worked with over three hundred employers in a variety of industries, including the agriculture, construction, office professional, hospitality, technical, and education sectors. Your Committee finds that Mr. Knox brings to the Council extensive expertise in job placement and employment services to assist the Department of Labor and Industrial Relations in supporting employment opportunities for employees and employers throughout the State.

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

SCRep. 3709 Ways and Means on S.R. No. 125

The purpose and intent of this measure is to promote consistency in the curriculum across the University of Hawaii System by requesting the University of Hawaii System to utilize and expand existing curriculum and programs across the various campuses, rather than allowing each campus to create its own curriculum and programs.

Your Committee received written comments in opposition to this measure from the University of Hawaii System.

Your Committee finds that the various campuses of the University of Hawaii System should work together to offer the best undergraduate general education core requirement programs possible for its students.

Your Committee has amended this measure by:

- (1) Clarifying that the University of Hawaii System is requested to utilize and expand existing undergraduate general education core requirement curriculum and programs across the various campuses; and
- (2) Amending the measure's title to reflect its amended purpose.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 125, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 125, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Shimabukuro).

SCRep. 3710 Ways and Means on S.R. No. 127

The purpose and intent of this measure is to improve ocean safety by urging the Department of Education to implement ocean and water safety education programs for elementary school students.

Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that one in five persons who die from drowning are younger than fifteen years of age; therefore it is essential to introduce ocean and water safety awareness among the State's youth.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 127, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Shimabukuro).

SCRep. 3711 Ways and Means on S.R. No. 53

The purpose and intent of this measure is to urge the Vice President for Budget and Finance of the University of Hawaii System to develop a plan for the redevelopment of the University of Hawaii at Manoa lower campus through a public private partnership.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the University of Hawaii System.

Your Committee finds that public private partnerships to redevelop the lower campus of the University of Hawaii at Manoa could help generate revenue for the school and revitalize the area with minimal capital investment by the State.

Your Committee has amended this measure by specifying that the findings and recommendations of the Vice President for Budget and Finance of the University of Hawaii System address options for public private partnership pilot projects.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 53, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 53, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3712 Ways and Means on S.R. No. 119

The purpose and intent of this measure is to promote access to education by requesting the Department of Education to explore student aid options for students who attend a Department of Education community school for adults and opt to enroll in and complete the competency-based community school diploma program to earn a Hawaii adult community school diploma.

Your Committee received written comments in support of this measure from the Department of Education.

Your Committee finds that because Department of Education community school for adults graduates who successfully completed the competency-based community school diploma program do not qualify for federal student aid, alternate solutions are necessary to allow these graduates the opportunity to further their education.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 119 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Shimabukuro).

SCRep. 3713 Ways and Means on S.R. No. 54

The purpose and intent of this measure is to request the Board of Education to redistrict the students expected to be living in the yet-to-be-completed Koa Ridge development to the Pearl City-Waipahu complex area.

Your Committee received written comments in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that the current boundaries of the Department of Education districts will require students who will be living in the Koa Ridge development to attend Mililani Middle School. However, Mililani Middle School is not expected to have the

resources to meet this additional student capacity. Your Committee further finds that redistricting Koa Ridge development students to the Pearl City-Waipahu complex area, instead of the Leilehua-Mililani-Waialua complex area, will direct those students to a middle school with sufficient capacity to accept additional students.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 54 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Harimoto, Shimabukuro).

SCRep. 3714 Ways and Means on S.R. No. 30

The purpose and intent of this measure is to urge the Agribusiness Development Corporation to establish a farm apprenticeship program.

Your Committee received written comments in support of this measure from the Department of Agriculture, Agribusiness Development Corporation, and Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that this measure will help Hawaii's agriculture industry increase self-sustainability and improve food security.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 30 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Harimoto, Kahele, Shimabukuro).

SCRep. 3715 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.R. No. 116

The purpose and intent of this measure is to request the Department of Health and Department of Commerce and Consumer Affairs to:

- (1) Review existing research on the impact of screen time and media consumption on children's and adolescents' physical, cognitive, and emotional health and policies implemented in other jurisdictions to address this issue; and
- (2) Submit a report of their findings and recommendations to the Legislature including a list of key points from the research, potential policies to implement, plans for future agency actions, and an explanation of the division of responsibility between the Departments of Health and Commerce and Consumer Affairs with respect to this issue.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and three individuals. Your Committees received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs Office of Consumer Protection. Your Committees received comments on this measure from the Department of Health.

Your Committees find that the current levels of screen time by children and adolescents pose potential risks to the health of Hawaii's youth. Your Committees further find that existing research on screen use may provide a cost-effective guide to health policy around this issue.

Your Committees have heard the concern of the Department of Commerce and Consumer Affairs and the Department of Health that the Departments lack the resources and trained staff to handle all of the concerns raised by this measure. Your Committees find that the Department of Commerce and Consumer Affairs may not be the appropriate agency to address the concerns raised by this measure. Your Committees also find that the Department of Health's Chronic Disease Prevention and Health Promotion Division cooperates with state agencies, schools, nonprofit organizations, and members of the community to address the physical health and nutrition of children and adolescents. The Division's mission is closely aligned with the purpose and intent of this measure, but does not include developmental or psychosocial aspects of the health of children and adolescents. Your Committees find that the Division's cooperative arrangements may be useful vehicles to study the effect of screen use on the physical health and nutrition of children and adolescents. Amendments to this measure are therefore necessary to address the concerns raised by the Department of Health and to shift the focus from mental and psychosocial health to physical health and nutrition.

Your Committees have amended this measure by:

- (1) Removing references to the Department of Commerce and Consumer Affairs;
- (2) Amending the findings to highlight ties between screen use and obesity and lack of physical activity to reflect the change in focus from mental and psychosocial health to physical health and nutrition;
- (3) Requesting the Department of Health to submit its report no later than twenty days prior to the Regular Session of 2020, rather than 2019;
- (4) Amending the contents of the requested report to reflect the change in focus from mental and psychosocial health to physical health and nutrition, including preparation of a summary of findings and recommendations of a future convening of nutrition and physical activity stakeholders;
- (5) Amending its title to reflect its amended purpose; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 116, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 116, S.D. 1.

Signed by the Chair and President on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Tokuda).

Human Services: Ayes, 3. Noes, none. Excused, 2 (Harimoto, Tokuda).

SCRep. 3716 Labor on S.R. No. 114

The purpose and intent of this measure is to urge Hawaii's congressional delegation to oppose any proposed federal right-to-work legislation.

Your Committee received testimony in support of this measure from the United Public Workers, AFSCME, Local 646, AFL-CIO; IMUAlliance; and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that federal legislation has been introduced to enact a national right-to-work law that would amend the National Labor Relations Act of 1935 and Railway Labor Act of 1926 to bar the inclusion of union security clauses in collective bargaining agreements. Your Committee further finds that right-to-work legislation limits the ability of workers in private and public sectors to successfully advocate for fair wages, benefits, and working conditions, and undermines labor organizing efforts, which have advanced civil rights, women's rights, and economic justice. Therefore, this measure urges the Hawaii congressional delegation to oppose any proposed federal right-to-work legislation.

As affirmed by the record of votes of the members of your Committee on Labor that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 114 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3717 Economic Development, Tourism, and Technology on Gov. Msg. Nos. 687, 688, 717, and 738

Recommending that the Senate advise and consent to the nominations of the following:

STADIUM AUTHORITY

G.M. No. 687 MICHAEL IOSUA, for a term to expire 06-30-2022;

G.M. No. 688 ROSS YAMASAKI, for a term to expire 06-30-2022;

G.M. No. 717 KEITH AMEMIYA, for a term to expire 06-30-2022; and

G.M. No. 738 HUBERT MINN, for a term to expire 06-30-2021

Your Committee reviewed the personal histories, resumes, and statements submitted by Michael Iosua, Ross Yamasaki, Keith Amemiya, and Hubert Minn for service on the Stadium Authority.

MICHAEL IOSUA

Your Committee received testimony in support of the nomination for the reappointment of Michael Iosua from the Department of Accounting and General Services, Stadium Authority, SanHi Government Strategies, Hawai'i Pacific Health, and seven individuals.

Mr. Iosua is an attorney and the Director of Government and Public Affairs for Imanaka Asato, LLLC and has also served as the Assistant Attorney General for the Government of Samoa. He is an experienced board member of the Stadium Authority having served since 2014. During his tenure as a board member, he has chaired the Audit and Internal Governance committees while leading transit-oriented development efforts with the State Legislature and Honolulu City Council. Mr. Iosua has been instrumental in the development of Aloha Stadium, played a role in the removal of deed restrictions, and contributed to major projects such as the Honolulu rapid transit project, transit-oriented development, health and safety capital improvement projects, and other issues regarding the redevelopment of Aloha Stadium. Your Committee finds that Mr. Iosua's legal background, business and budget experience, and demonstrated leadership qualify him for reappointment to the Stadium Authority.

ROSS YAMASAKI

Your Committee received testimony in support of the nomination for the reappointment of Ross Yamasaki from the Department of Accounting and General Services, Stadium Authority, and two individuals.

Mr. Yamasaki is a registered architect and an established design strategist with years of experience working on public and private projects in planning and design. He is currently the Vice President of Capitol Consultants of Hawaii. As Vice President, he is responsible for the firm's operations and development and also leads activities in the areas of sustainability, environmental quality, and green technology. Mr. Yamasaki is the current Chair of the Stadium Authority. According to testimony, Mr. Yamasaki has displayed exceptional leadership skills and has provided the necessary all-inclusive guidance to address the major challenges concerning the future of Aloha Stadium. Your Committee believes that with his experience as an architect, Chair of the Stadium Authority, and legislative experience qualify him for reappointment to the Stadium Authority.

KEITH AMEMIYA

Your Committee received testimony in support of the nomination for the reappointment of Keith Amemiya from the Department of Accounting and General Services, Stadium Authority, and SanHi Government Strategies.

Mr. Amemiya is currently the Senior Vice President of Island Holdings, Inc., where he is responsible for the company's risk management practices and also handles legal and regulatory compliance. He has extensive experience in the field of sports having served as the Executive Director of the Hawaii High School Athletic Association for nearly twelve years, where he led the Save the Sports fundraising campaign and created the two-classification state championship format. Mr. Amemiya has been a member of the Stadium Authority since 2015. He has played a significant role in the removal of deed restrictions and overseeing the development of the Honolulu Authority for Rapid Transportation Guideway and Transit Station. Your Committee finds that Mr. Amemiya's management experience, specifically in sports, and his experience with the Stadium Authority qualify him for reappointment to the Stadium Authority.

HUBERT MINN

Your Committee received testimony in support of the nomination for the appointment of Hubert Minn from the Department of Accounting and General Services, Stadium Authority, and four individuals.

Mr. Minn has an extensive background working for the City and County of Honolulu, having served as Deputy Director for the Departments of Enterprise Services and Customer Service for a combined four years and has been a member of the Board of Education, including as its Chair from 1978 to 1979. Mr. Minn also has experience in the area of sports as the Chair of the World Boxing Council and North American Boxing Federation and as an International Ring Official Judge for the World Boxing Council. Your Committee finds that Mr. Minn's vast experience in public service and professional involvement in the sport of boxing at the international level will make him a valuable asset to the Stadium Authority and qualify him for appointment.

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, 5. Noes, none. Excused, none.

SCRep. 3718 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 608, 610, 611, 612, 613, 630, and 631

Recommending that the Senate advise and consent to the nominations of the following:

STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

- G.M. No. 608 RYAN PALACIO, for a term to expire 06-30-2020;
- G.M. No. 610 PATRICIA MORRISSEY, for a term to expire 06-30-2018;
- G.M. No. 611 PATRICIA MORRISSEY, for a term to expire 06-30-2022;
- G.M. No. 612 LIZA YOGI, for a term to expire 06-30-2022;
- G.M. No. 613 MARY BROGAN, for a term to expire 06-30-2019;
- G.M. No. 630 MICHELLE PESTEL-MAGA, for a term to expire 06-30-2022; and
- G.M. No. 631 DARWIN NAGAMINE, for a term to expire 06-30-2020

Your Committee reviewed the personal histories, resumes, and statements submitted by Ryan Palacio, Patricia Morrissey, Liza Yogi, Mary Brogan, Michelle Pestel-Maga, and Darwin Nagamine for service on the State Council on Developmental Disabilities.

RYAN PALACIO

Your Committee received testimony in support of the nomination for the appointment of Ryan Palacio from the Division of Vocational Rehabilitation of the Department of Human Services, State Council on Developmental Disabilities, Friendship House, Hawaii Self-Advocacy Advisory Council, and one individual.

Upon review of the testimony, your Committee finds that Mr. Palacio's background, experience, and commitment qualify him to be nominated for appointment to the State Council on Developmental Disabilities. Your Committee notes that federal law specifically requires sixty percent of the membership of the Council to consist of individuals with developmental disabilities or their parents, guardians, or immediate relatives. Your Committee further notes that Mr. Palacio's appointment would contribute toward this requirement. Your Committee notes that Mr. Palacio currently serves as the vice chair of the Hawaii Self-Advocacy Advisory Council and understands the role and responsibility of Council membership. Your Committee finds that Mr. Palacio is an active member of the community through his participation in Friendship House and Special Olympics. Your Committee notes that Mr. Palacio is a passionate advocate on behalf of persons with developmental disabilities. Mr. Palacio indicated in his personal statement that he plans to ensure that necessary services are in place for the future.

PATRICIA MORRISSEY

Your Committee received testimony in support of the nominations for the appointment and reappointment of Patricia Morrissey from the State Council on Developmental Disabilities, Hawaii Self-Advocacy Advisory Council, Hawaii Disability Rights Center, Center on Disability Studies – College of Education, and one individual.

Upon review of the testimony, your Committee finds that Dr. Morrissey's expertise, background, and experience qualify her to be nominated for appointment and reappointment to the State Council on Developmental Disabilities as a representative of the University Centers for Excellence in Developmental Disabilities Education, Research, and Service. Your Committee finds that Dr. Morrissey currently serves as the Director of the Center on Disability Studies, College of Education, University of Hawaii. Dr. Morrissey also serves as the Chair of the United States International Council on Disabilities, where she has been a member since 2010. Your

Committee notes that Dr. Morrissey played a central role in drafting major disability legislation, demonstrating her familiarity with the law-making process. In addition, Dr. Morrissey's research background will provide the Council with the data and trends necessary to pursue federal grants and other funding. Your Committee notes that Dr. Morrissey has provided consulting services with respect to disability access to technology. In addition to her professional experience, Dr. Morrissey can effectively advocate for persons with disabilities as a person with cerebral palsy.

LIZA YOGI

Your Committee received testimony in support of the nomination for the reappointment of Liza Yogi from the State Council on Developmental Disabilities, Hawaii Self-Advocacy Advisory Council, and three individuals.

Upon review of the testimony, your Committee finds that Ms. Yogi's background, experience, and enthusiasm qualify her to be nominated for reappointment to the State Council on Developmental Disabilities as a parent of a person with a developmental disability. Your Committee notes that, as a resident of Hawaii island, Ms. Yogi could serve as a liaison to the East Hawaii Developmental Disabilities Committee, as she already attends Committee meetings. Your Committee finds that Ms. Yogi is an original planning partner of the East Hawaii Disability Legislative Forum, which encourages discussion between community members and legislators. Your Committee finds that Ms. Yogi has valuable experience as a caregiver and collaborator within her local community who is adept at leveraging local resources. Ms. Yogi indicated in her personal statement a desire to help achieve the goals of the Council and continue to introduce new ideas to improve results. Your Committee finds that Ms. Yogi understands the role and responsibilities of Council membership.

MARY BROGAN

Your Committee received testimony in support of the nomination for the appointment of Mary Brogan from the Department of Health, Department of Human Services, State Council on Developmental Disabilities, Hawaii Self-Advocacy Advisory Council, and three individuals.

Upon review of the testimony, your Committee finds that Ms. Brogan's education, expertise, and experience qualify her to be nominated for appointment to the State Council on Developmental Disabilities as a representative of the Department of Health. Your Committee finds that Ms. Brogan is currently employed as the Administrator of the Developmental Disabilities Division of the Department of Health. Your Committee further finds that, in Ms. Brogan's capacity as the Administrator, she would provide the Council with direct and ongoing information about the Division's programs. Your Committee finds that Ms. Brogan was instrumental in working with the MedQuest Division of the Department of Human Services to write, submit, and secure approval for a new Home and Community Based Services Waiver application and plan. Your Committee also notes that Ms. Brogan serves on the Board of Directors for the National Association of State Developmental Disabilities Directors and chairs their Research Committee, providing the Council with access to insights and research from the national level.

MICHELLE PESTEL-MAGA

Your Committee received testimony in support of the nomination for the reappointment of Michelle Pestel-Maga from the State Council on Developmental Disabilities, Hawaii Self-Advocacy Advisory Council, and five individuals.

Upon review of the testimony, your Committee finds that Ms. Pestel-Maga's experience, passion, and background qualify her to be nominated for reappointment to the State Council on Developmental Disabilities as a parent of a child with special needs. Your Committee finds that Ms. Pestel-Maga is the primary mover behind Act 213, Session Laws of Hawaii 2015, also known as Anya's Law, which required health insurance coverage for orthodontic treatment of orofacial anomalies, as well as follow-up legislation expanding the number of orthodontists eligible to perform the medically necessary orthodontic services, demonstrating her familiarity with the law-making process as well as her commitment to effective advocacy. Ms. Pestel-Maga would also bring her knowledge of the early intervention and early childhood system to the Council. In addition to serving on the State Council on Developmental Disabilities since 2016, your Committee notes that Ms. Pestel-Maga currently serves as the President of Lifetime of Smiles Hawaii and the Secretary of Family Voices Hawaii, demonstrating her community engagement and that she understands the role and responsibilities of Council membership.

DARWIN NAGAMINE

Your Committee received testimony in support of the nomination for the appointment of Darwin Nagamine from the State Council on Developmental Disabilities, Hawaii Self-Advocacy Advisory Council, and five individuals.

Upon review of the testimony, your Committee finds that Mr. Nagamine's background, experience, and enthusiasm qualify him to be nominated for appointment to the State Council on Developmental Disabilities. Your Committee notes that federal law specifically requires sixty percent of the membership of the Council to consist of individuals with developmental disabilities or their parents, guardians, or immediate relatives. Your Committee further notes that Mr. Nagamine's appointment would contribute toward this requirement. Mr. Nagamine currently serves as a moderator at the East Hawaii Disability Legislative Forum, which encourages discussion between community members and legislators. Mr. Nagamine is also the Vice-Chair of the Hawaii Self-Advocacy Advisory Council and a member of Special Olympics, demonstrating his engagement with the community. Mr. Nagamine also attends East Hawaii Developmental Disabilities Committee meetings and understands the role and responsibilities of Council membership. Mr. Nagamine indicated in his personal statement that he hopes to make Hawaii a more inclusive and integrated home.

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, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3719 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 624, 625, and 626

Recommending that the Senate advise and consent to the nominations of the following:

STATE BOARD OF NURSING

G.M. No. 624 KAREN BOYER, for a term to expire 06-30-2022;

G.M. No. 625 JUDY KODAMA, for a term to expire 06-30-2022; and

G.M. No. 626 KATHARYN DAUB, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Karen Boyer, Judy Kodama, and Katharyn Daub for service on the State Board of Nursing.

KAREN BOYER

Your Committee received testimony in support of the nomination for the reappointment of Karen Boyer from the Department of Commerce and Consumer Affairs, Kapi'olani Community College, 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 reappointment 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 Hawai'i's Kapi'olani Community College. 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 been a member of the State Board of Nursing since August 2017, currently serves as a member of the Board's Education Committee, and has represented the Board at conferences of the National Council of State Boards of Nursing. Your Committee therefore recommends that Ms. Boyer be reappointed to the State Board of Nursing based on her knowledge, experience, and dedication to serving the public.

JUDY KODAMA

Your Committee received testimony in support of the nomination for the reappointment of Judy Kodama from the Department of Commerce and Consumer Affairs and four individuals.

Upon review of the testimony, your Committee finds that Ms. Kodama's background, knowledge, and proven experience on the State Board of Nursing qualify her to be nominated for reappointment to the State Board of Nursing as a licensee member representing the County of Maui. Your Committee notes that Ms. Kodama has over thirty years of experience in nursing and nursing administration, is the former Director of Nursing at Maui Memorial Medical Center, and is currently the Assistant Administrator for Maui Health System. Ms. Kodama has previously held a variety of positions in the nursing field, including as a medical surgery nurse, critical care nurse, and flight nurse. Your Committee further finds that Ms. Kodama has been a member of the State Board of Nursing since July 2015, is one of two current board members that practice in an acute care setting, and her wide range of experiences has given her a unique perspective that continues to enhance the effectiveness of the Board's deliberations. Your Committee therefore recommends that Ms. Kodama be reappointed to the State Board of Nursing based on her knowledge, experience, and dedication to serving her community.

KATHARYN DAUB

Your Committee received testimony in support of the nomination for the reappointment of Katharyn Daub from the Department of Commerce and Consumer Affairs; Bay Clinic, Inc.; and five individuals.

Upon review of the testimony, your Committee finds that Dr. Daub's knowledge, background, and experience qualify her to be nominated for reappointment to the State Board of Nursing as a licensee member representing the County of Hawaii. Your Committee notes that Dr. Daub has over thirty-four years of nursing experience, including as a registered nurse and nurse educator, and is currently a Professor of Nursing at the School of Nursing, University of Hawai'i at Hilo, where she was instrumental in the development of the School's Doctor of Nursing Practice Program. Dr. Daub has also been a member of the Board of Directors for the Bay Island Clinic, Inc., a community health center, for the past thirteen years, where she has served in a variety of leadership roles, including as the current Vice Chair. Your Committee further finds that Dr. Daub has been a member of the State Board of Nursing since July 2014 and her extensive background as a nursing educator continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Dr. Daub be reappointed to the State Board of Nursing based on her experience, knowledge, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3720 Economic Development, Tourism, and Technology on Gov. Msg. Nos. 513, 514, 673, 674, and 675

Recommending that the Senate advise and consent to the nominations of the following:

SMALL BUSINESS REGULATORY REVIEW BOARD

G.M. No. 513 REG BAKER, for a term to expire 06-30-2018;

- G.M. No. 514 REG BAKER, for a term to expire 06-30-2022;
 G.M. No. 673 WILLIAM LYDGATE, for a term to expire 06-30-2018;
 G.M. No. 674 WILLIAM LYDGATE, for a term to expire 06-30-2022; and
 G.M. No. 675 MARY ALBITZ, for a term to expire 06-30-2020

Your Committee reviewed the personal histories, resumes, and statements submitted by Reg Baker, William Lydgate, and Mary Albitz for service on the Small Business Regulatory Review Board.

REG BAKER

Your Committee received testimony in support of the nominations for the appointment and reappointment of Reg Baker from the Department of Business, Economic Development, and Tourism; Small Business Regulatory Review Board; and Hawaii Technology Development Corporation.

Mr. Baker has vast experience in business spanning over twenty-five years. He is the owner of Reg Baker, CPA, LLC, and is nationally recognized as a specialist in small- and mid-sized businesses. Mr. Baker has been an interim member of the Small Business Regulatory Review Board since 2017 and has provided insight in areas such as regulatory issues and administrative rules on taxation and labor. In addition to serving on the Small Business Regulatory Review Board, Mr. Baker serves on the National Board of Directors for the Small Business Regulatory Fairness Board, and is the Chairman of Region IX of the Small Business Administration's Board of Directors. Your Committee finds that Mr. Baker is an exemplary candidate for the Small Business Regulatory Review Board given his extensive experience working with small- and medium-sized businesses.

WILLIAM LYDGATE

Your Committee received testimony in support of the nominations for the appointment and reappointment of William Lydgate from the Department of Business, Economic Development, and Tourism and Small Business Regulatory Review Board.

Mr. Lydgate is the owner and President of Steelgrass Farm, located in Kauai. Steelgrass Farm grows and harvests chocolate, coffee, vanilla, tropical fruits and flowers, and honey bees. Mr. Lydgate is an advocate of the benefits of farming sustainability and has vast experience in agriculture and land and natural resources. He is a leader in the new Hawaiian specialty chocolate industry and a pioneer of agricultural based tourism. Mr. Lydgate is also a successful public speaker, having given a Tedx Talk presentation titled "Changing the way we think about chocolate" where he discussed the health benefits of dark chocolate. Your Committee finds that Mr. Lydgate's experience running a small business in Kauai and his knowledge of the agriculture industry qualify him for appointment and reappointment to the Small Business Regulatory Review Board.

MARY ALBITZ

Your Committee received testimony in support of the nomination for the appointment of Mary Albitz from the Department of Business, Economic Development, and Tourism and Small Business Regulatory Review Board.

Ms. Albitz is the Vice President of business development at FocalPoint Business Coach and has been a member of the Rotary Club of Upcountry since 2016. She is responsible for promoting FocalPoint Business Coach in the community and one-on-one coaching of clients, among other things. Prior to working at FocalPoint Business Coach, she was the founder and Chief Executive Officer of Jigsaw Java, Inc. Ms. Albitz's experience as a small-business owner allowed her to develop relationships with leaders, such as Honolulu City Council members, and was involved with the local Chamber of Commerce and Redwood City Downtown Business Group. Your Committee finds that Ms. Albitz's experience as a small-business owner and her familiarity with the challenges that small-business owners often face qualify her for appointment to the Small Business Regulatory Review Board.

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, 5. Noes, none. Excused, none.

SCRep. 3721 Economic Development, Tourism, and Technology on Gov. Msg. Nos. 689 and 690

Recommending that the Senate advise and consent to the nominations of the following:

COMMUNITY-BASED ECONOMIC DEVELOPMENT ADVISORY COUNCIL

- G.M. No. 689 JANE HORIKE, for a term to expire 06-30-2021; and
 G.M. No. 690 ERNEST MATSUMURA, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Jane Horike and Ernest Matsumura for service on the Community-Based Economic Development Advisory Council.

JANE HORIKE

Your Committee received testimony in support of the nomination for the appointment of Jane Horike from the Department of Business, Economic Development, and Tourism.

Ms. Horike has been working for the County of Hawaii since 2000 and currently serves as an Economic Development Specialist III in the Department of Research and Development, where her duties include planning, organizing, and conducting research, and preparing analyses to develop product promotion and industrial expansion programs. Her expertise in research allows her to identify

and develop opportunities to expand existing businesses and coordinate the promotion of new businesses. Ms. Horike is also responsible for providing grants from the County of Hawaii to non-profits for community economic development. Ms. Horike is the Hawaii Island Enterprise Zone Coordinator and works closely with the Department of Business, Economic Development, and Tourism. Ms. Horike is an interim member of the Community-Based Economic Development Advisory Council. Your Committee finds that Ms. Horike's experience as a member of the Advisory Council and years of experience working toward economic development in the State make her an exemplary candidate for the Community-Based Economic Development Advisory Council.

ERNEST MATSUMURA

Your Committee received testimony in support of the nomination for the appointment of Ernest Matsumura from the Department of Business, Economic Development, and Tourism.

Mr. Matsumura is a retired business owner with over thirty years of experience in the food industry in various fields such as sales, distribution, manufacturing, and marketing. He has roughly forty years of experience in the fields of management, leadership, and administration. Prior to his retirement, Mr. Matsumura was the Chief Executive Officer of American Trading Co., Ltd, and was the owner of Designer Meats, Inc., dba Miko Foods of Hawaii. In addition to his years of experience in business, Mr. Matsumura has dedicated his time to supporting his community and various non-profit organizations, including by serving as the President of the East Hawaii Community Development Corporation, Charter Director of the Pacific Educational Foundation, Inc. (Hawaii Job Corps), Board member of ALU LIKE, Inc., and other organizations. Your Committee finds that Mr. Matsumura's years of experience in the business sector in Hawaii and his dedication to the community qualify him to be appointed to the Community-Based Economic Development Advisory Council.

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, 5. Noes, none. Excused, none.

SCRep. 3722 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 574, 575, and 644

Recommending that the Senate advise and consent to the nominations of the following:

DISABILITY AND COMMUNICATION ACCESS BOARD

G.M. No. 574 DEAN GEORGIEV, for a term to expire 06-30-2021;

G.M. No. 575 AMY TSUJI-JONES, for a term to expire 06-30-2019; and

G.M. No. 644 PHYLLIS MEIGHEN, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Dean Georgiev, Amy Tsuji-Jones, and Phyllis Meighen for service on the Disability and Communication Access Board.

DEAN GEORGIEV

Your Committee received testimony in support of the nomination for the appointment of Dean Georgiev from the Disability and Communication Access Board and three individuals.

Upon review of the testimony, your Committee finds that Mr. Georgiev's background, knowledge, and prior service as a member of the Commission on Persons with Disabilities qualify him to be nominated for appointment to the Disability and Communication Access Board in the capacity of a person with a disability. Your Committee finds that Mr. Georgiev has been employed for the past ten years by Ho'opono Services for the Blind, Department of Human Services, including currently as a Supervisor, and previously as a Rehabilitation Teacher. Your Committee notes that, as part of his employment, Mr. Georgiev provides instruction to persons who are blind, visually impaired, or deaf-blind in computer technology and develops independent living skills programs for people who are blind or have low vision. Your Committee notes that Mr. Georgiev's expertise will be a strong resource to the Board as it shifts its focus to cloud-based information access issues.

AMY TSUJI-JONES

Your Committee received testimony in support of the nomination for the appointment of Amy Tsuji-Jones from the Disability and Communications Access Board and two individuals.

Upon review of the testimony, your Committee finds that Ms. Tsuji-Jones's knowledge, background, and expertise qualify her to be nominated for appointment to the Disability and Communication Access Board in the capacity of a person with a disability. Your Committee notes that Ms. Tsuji-Jones is currently self-employed, teaching American Sign Language (ASL) classes and presenting workshops on Deaf Self-Advocacy Training among other activities. Your Committee also notes that Ms. Tsuji-Jones previously served as an ASL and Deaf Studies Lecturer at Kapiolani Community College from 1999 to 2016, and has also taught at the Hawaii School for the Deaf and Blind and Kendall Demonstration Elementary School for the Deaf in Washington, D.C. Your Committee notes that the Board plays a role in testing, credentialing, and regulating ASL interpreters, so Ms. Tsuji-Jones's expertise will be a valuable asset to the Board. Ms. Tsuji-Jones has also demonstrated her commitment to advocacy for the deaf and hard of hearing community, and has received training to serve as an Abused Deaf Women's Advocacy Services support provider and as a Deaf Self-Advocacy Trainer.

PHYLLIS MEIGHEN

Your Committee received testimony in support of the nomination for the reappointment of Phyllis Meighen from the Disability and Communication Access Board, Special Parent Information Network, and two individuals.

Upon review of the testimony, your Committee finds that Dr. Meighen's background, experience, and prior service as an interim member of the Disability and Communication Access Board qualify her to be nominated for reappointment to the Disability and Communication Access Board in the capacity of a family member of an individual with a cognitive or developmental disability, and as a representative from Kauai County. Your Committee notes that, although retired, Dr. Meighen has served as a pastor, associate pastor, and adjunct lecturer in special education. As a lecturer in special education, Dr. Meighen helped develop nationally recognized curricula for supporting the transition of youth with developmental disabilities into the workforce and larger community. Dr. Meighen also founded Winners at Work (now Abilities Unlimited), a nonprofit community-based employment service for people with significant disabilities. Dr. Meighen has been serving on the Disability and Communication Access Board since 2017 and is currently on the Advisory Committee of the Special Parent Information Network, demonstrating that she understands the role and responsibilities of Board membership.

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, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3723 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 593 and 594

Recommending that the Senate advise and consent to the nominations of the following:

REAL ESTATE COMMISSION

- G.M. No. 593 RUSSELL KYONO, for a term to expire 06-30-2022; and
- G.M. No. 594 JOHN LOVE, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Russell Kyono and John Love for service on the Real Estate Commission.

RUSSELL KYONO

Your Committee received testimony in support of the nomination for the appointment of Russell Kyono from the Department of Commerce and Consumer Affairs, Board of Directors of the Kaua'i Board of REALTORS, New Hope Kaua'i, and Vision Realty LLC.

Upon review of the testimony, your Committee finds that Mr. Kyono's background, experience, and commitment to public service qualify him to be nominated for appointment to the Real Estate Commission as a real estate broker member representing the County of Kauai. Your Committee notes that Mr. Kyono has been in the real estate industry for nearly forty years, where he specializes in property management as well as sales; has been licensed as a real estate salesperson since 1981 and licensed as a real estate broker since 1991; and has been the Owner and Principal Broker of Kauai Rentals & Real Estate in Lihue, Kauai, since 2010. Mr. Kyono is also an active member of his community and with his profession and has served in a variety of leadership roles with the Kaua'i Board of REALTORS, including on the Board of Directors and the Property Management Committee. Your Committee further finds that Mr. Kyono has a thorough understanding of the role and responsibilities of commission members and therefore recommends that Mr. Kyono be appointed to the Real Estate Commission based on his extensive experience, knowledge, and dedication to serving the community.

JOHN LOVE

Your Committee received testimony in support of the nomination for the appointment of John Love from the Department of Commerce and Consumer Affairs and nineteen individuals.

Upon review of the testimony, your Committee finds that Mr. Love's knowledge, background, and commitment to public service qualify him to be nominated for appointment to the Real Estate Commission as a public member representing the City and County of Honolulu. Your Committee notes that Mr. Love is an attorney and partner at Cades Schutte LLP, where he specializes in real estate law, including condominium project documentation and registrations, subdivision development, purchase and sales transactions, and commercial leasing. Mr. Love has also co-authored a chapter of the Hawaii Real Estate Law Manual, participated as a presenter and panelist at Hawaii real estate law seminars, and is an active member of the Hawaii State Bar Association, where he currently serves as the Treasurer of the Real Property and Financial Services Section. Your Committee further finds that Mr. Love's deep familiarity with Hawaii's condominium laws and the laws and regulations governing real estate brokers and salespersons will enhance the effectiveness of the Real Estate Commission and therefore recommends that Mr. Love be appointed to the Real Estate Commission based on his background, knowledge, and dedication to serving the community.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3724 Commerce, Consumer Protection, and Health on Gov. Msg. No. 629

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF PHARMACY

G.M. No. 629 JULIE TAKISHIMA-LACASA, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Julie Takishima-Lacasa for service on the Board of Pharmacy.

Your Committee received testimony in support of the nomination for the reappointment of Julie Takishima-Lacasa from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Dr. Takishima-Lacasa's background, experience, and proven leadership on the Board of Pharmacy qualify her to be nominated for reappointment to the Board of Pharmacy as a public member. Your Committee notes that Dr. Takishima-Lacasa is a clinical psychologist at Manakai O Mālama, an integrative multidisciplinary health clinic, and has extensive experience serving rural, underserved communities across the State, which has enabled her to bring a unique public member perspective to the Board of Pharmacy. Dr. Takishima-Lacasa is also a researcher at the University of Hawai'i at Mānoa's Social Science Research Institute and is extremely active in her community and with her professional organizations, the American Psychological Association and Hawai'i Psychological Association. Your Committee further finds that Dr. Takishima-Lacasa has been a member of the Board of Pharmacy since 2016, currently serves as the Board's vice chair, and her professional and personal commitment to addressing and advocating for the needs of underserved communities in the State continues to be an asset to the Board. Your Committee therefore recommends that Dr. Takishima-Lacasa be reappointed to the Board of Pharmacy based on her knowledge, 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, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3725 Commerce, Consumer Protection, and Health on Gov. Msg. No. 527

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, WEST OAHU SUBAREA

G.M. No. 527 JAY RAYMUNDO, for a term to expire 06-30-2021

Your Committee reviewed the personal history, resume, and statement submitted by Jay Raymundo for service on the Health Planning Council, West Oahu Subarea.

Your Committee received testimony in support of the nomination for the appointment of Jay Raymundo from the State Health Planning and Development Agency and eighteen individuals.

Upon review of the testimony, your Committee finds that Mr. Raymundo's experience, background, and commitment to public service qualify him for appointment to the Health Planning Council, West Oahu Subarea. Your Committee notes that Mr. Raymundo has served as the Chief Executive Officer of Aloha Habilitation Services, a home health care agency, since 2004 and was previously employed as a case manager for The ARC of Greater Waltham, Massachusetts. Your Committee further notes that, as Chief Executive Officer of Aloha Habilitation Services, Mr. Raymundo has experience working with the Departments of Health and Human Services, which will serve the Council well. Your Committee also notes that Mr. Raymundo is a board member for the Wahiawa Center for Community Health, Filipino Chamber of Commerce of Hawai'i, and Hawai'i Waiver Providers' Association, demonstrating his commitment to community engagement and his understanding of the role and responsibilities of Council membership. Mr. Raymundo indicated in his personal statement that he hopes to promote quality assurance and quality improvement initiatives to better promote the quality of care in the region.

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, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3726 Commerce, Consumer Protection, and Health on Gov. Msg. No. 628

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, HONOLULU SUBAREA

G.M. No. 628 WESLEY SUMIDA, for a term to expire 06-30-2021

Your Committee reviewed the personal history, resume, and statement submitted by Wesley Sumida for service on the Health Planning Council, Honolulu Subarea.

Your Committee received testimony in support of the nomination for the appointment of Wesley Sumida from the Department of Health State Health Planning and Development Agency, University of Hawaii-Hilo, and two individuals.

Upon review of the testimony, your Committee finds that Dr. Sumida's experience, expertise, and background qualify him to be nominated for appointment to the Health Planning Council, Honolulu Subarea. Your Committee finds that Dr. Sumida is currently employed as an Associate Professor at the Daniel K. Inouye College of Pharmacy at the University of Hawai'i at Hilo. Dr. Sumida has previously been employed as the Director of Inpatient Pharmacy and the Student Clerkship Coordinator at Kaiser Permanente and as a

Clinical Pharmacist at Harborview Medical Center in Seattle, Washington. Your Committee finds that Dr. Sumida has almost thirty years of combined pharmacy and pharmacy education experience and will be a valuable resource to the Council. Your Committee finds that Dr. Sumida has demonstrated his commitment to public service by volunteering to provide health screenings and education and by organizing pharmacy support for events such as the Papakōlea Health Fair in Honolulu and the 'Imi Ho'ola High School Outreach program.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3727 Commerce, Consumer Protection, and Health on Gov. Msg. No. 632

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, KAUA'I SUBAREA

G.M. No. 632 ORIANNA SKOMOROCH, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Orianna Skomoroch for service on the Health Planning Council, Kauai Subarea.

Your Committee received testimony in support of the nomination for the reappointment of Orianna Skomoroch from the State Health Planning and Development Agency of the Department of Health; Women's Health and Wellness, Inc.; and one individual.

Upon review of the testimony, your Committee finds that Ms. Skomoroch's experience, expertise, and background qualify her to be nominated for reappointment to the Health Planning Council, Kauai Subarea. Your Committee finds that Ms. Skomoroch, although retired, currently serves as the interim Executive Director of the Kauai Humane Society; as the Chair of the Health Planning Council, Kauai Subarea; and as a Board Member of Hale Opio – Kauai, demonstrating that she understands the role and responsibilities of Council membership. Your Committee notes that Ms. Skomoroch has previously served for over twenty years as a hospital executive, including five years as the Vice President of Hospital Operations at G.N. Wilcox Memorial Hospital, five years as the Administrator of Kauai Veterans Memorial Hospital, and ten years as the Regional Chief Executive Officer of the Island of Kauai Region, Hawaii Health Systems Corporation. Your Committee further finds that Ms. Skomoroch's efforts were key in revitalizing Kauai's healthcare system, cutting costs without reducing care.

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, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3728 Commerce, Consumer Protection, and Health on Gov. Msg. No. 627

Recommending that the Senate advise and consent to the nomination of the following:

HAWAI'I MEDICAL BOARD

G.M. No. 627 MARIA CHUN, for a term to expire 06-30-2021

Your Committee reviewed the personal history, resume, and statement submitted by Maria Chun for service on the Hawaii Medical Board.

Your Committee received testimony in support of the nomination for the reappointment of Maria Chun from the Department of Commerce and Consumer Affairs; John A. Burns School of Medicine, University of Hawai'i at Mānoa; and six individuals.

Upon review of the testimony, your Committee finds that Dr. Chun's background, experience, and proven leadership on the Hawaii Medical Board qualify her to be nominated for reappointment to the Hawaii Medical Board as a public member. Your Committee notes that Dr. Chun has an educational background in psychology and sociology and is currently the Associate Chair for Administration and Finance in the Department of Surgery at the John A. Burns School of Medicine, University of Hawai'i at Mānoa, where she has been involved with many aspects of the medical profession, including research, teaching, and developing the Department's clinical enterprise. Dr. Chun also has prior experience in various areas of state government, including previous positions at the Office of the Auditor, Office of the Lieutenant Governor, and Hawaii State Legislature. Your Committee further finds that Dr. Chun has been a member of the Hawaii Medical Board since September 2013 and has served as a holdover member since June 30, 2017, and her health care and government background, along with her insight from the public consumer perspective, continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Dr. Chun be reappointed to the Hawaii Medical Board based on her knowledge, experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3729 Commerce, Consumer Protection, and Health on Gov. Msg. No. 637

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF VETERINARY EXAMINERS

G.M. No. 637 ALICIA MALUAFITI, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Alicia Maluafiti for service on the Board of Veterinary Examiners.

Your Committee received testimony in support of the nomination for the reappointment of Alicia Maluafiti from the Department of Commerce and Consumer Affairs, one member of the Honolulu City Council, Hawaii Happy Cats, and thirty-six individuals.

Upon review of the testimony, your Committee finds that Ms. Maluafiti's background, commitment to public service, and proven experience on the Board of Veterinary Examiners qualify her to be nominated for reappointment to the Board of Veterinary Examiners as a public member. Your Committee notes that Ms. Maluafiti has more than twenty years of experience in community and government relations and is the owner of Lo'ihī Communications. Ms. Maluafiti has been involved with animal rescue for thirty years and has had a wide range of direct experience with veterinarians in small and large clinic settings. Ms. Maluafiti is also the founder and former President of the Oahu Society for the Prevention of Cruelty to Animals; former Director of Community Relations of the Hawaiian Humane Society; and founder and President of Poi Dogs & Popoki, a nonprofit organization dedicated to improving the quality of life for dogs and cats. Your Committee further finds that Ms. Maluafiti has been a member of the Board of Veterinary Examiners since April 2016 and her extensive experience in animal rescue combined with her genuine care and passion for animals continues to be an asset to the Board. Your Committee therefore recommends that Ms. Maluafiti be reappointed to the Board of Veterinary Examiners based on her experience, background, and dedication to serving her community.

As affirmed by the record of votes of the members of your Committee on Commerce, 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, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3730 Commerce, Consumer Protection, and Health on Gov. Msg. No. 622

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF PHYSICAL THERAPY

G.M. No. 622 JILL WAKABAYASHI, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Jill Wakabayashi for service on the Board of Physical Therapy.

Your Committee received testimony in support of the nomination for the reappointment of Jill Wakabayashi from the Department of Commerce and Consumer Affairs, Hawaii Chapter of the American Physical Therapy Association, and one individual.

Upon review of the testimony, your Committee finds that Ms. Wakabayashi's background, experience, and proven leadership on the Board of Physical Therapy qualify her to be nominated for reappointment to the Board of Physical Therapy as a physical therapist assistant member. Your Committee notes that Ms. Wakabayashi has been a physical therapist assistant since 1991 and was an Assistant Professor and the Director of the Physical Therapist Assistant Program at Kapi'olani Community College from 2002 until 2017. Ms. Wakabayashi is also an extremely active member of her profession and has served on many panels and boards for the American Physical Therapy Association and the Hawaii Chapter of the American Physical Therapy Association. Your Committee further finds that Ms. Wakabayashi has been a member of the Board of Physical Therapy since April 2015 and her many years of experience as a physical therapist assistant and educator continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Ms. Wakabayashi be reappointed to the Board of Physical Therapy based on her knowledge, experience, 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, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3731 Commerce, Consumer Protection, and Health on Gov. Msg. No. 623

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF DENTAL EXAMINERS

G.M. No. 623 EARL HASEGAWA, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Earl Hasegawa for service on the Board of Dental Examiners.

Your Committee received testimony in support of the nomination for the reappointment of Earl Hasegawa from the Department of Commerce and Consumer Affairs, Hale Mahaolu, and two individuals.

Upon review of the testimony, your Committee finds that Dr. Hasegawa's knowledge, experience, and proven leadership on the Board of Dental Examiners qualify him to be nominated for reappointment to the Board of Dental Examiners as a dentist member. Your Committee notes that Dr. Hasegawa has been a licensed dentist in Hawaii since 1990 and is an oral and maxillofacial surgeon in private practice in Kahului, Maui. Dr. Hasegawa is also extremely active in his profession and his community, including serving as an examiner on the American Board of Oral and Maxillofacial Surgery; as a member of the Maui Oral Health Task Force; and as a member of the Dental Advisory Committee at the University of Hawai'i Maui College, where he was also instrumental in the development of the College's Dental Assisting and Dental Hygiene Programs. Your Committee further finds that Dr. Hasegawa has been a member of the Board of Dental Examiners since July 2014 and the valuable insights he has gained throughout his extensive career continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Dr. Hasegawa be reappointed to the Board of Dental Examiners based on his background, experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3732 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 556 and 557

Recommending that the Senate advise and consent to the nominations of the following:

POLICY ADVISORY BOARD FOR ELDER AFFAIRS

G.M. No. 556 KIPUKAI KUALI'I, for a term to expire 06-30-2021; and

G.M. No. 557 KATHLEEN WYATT, for a term to expire 06-30-2019

Your Committee reviewed the personal histories, resumes, and statements submitted by Kipukai Kualii and Kathleen Wyatt for service on the Policy Advisory Board for Elder Affairs.

KIPUKAI KUALI'I

Your Committee received testimony in support of the nomination for the appointment of Kipukai Kualii from the Executive Office on Aging, Agency on Elderly Affairs, and seven individuals.

Upon review of the testimony, your Committee finds that Mr. Kualii's knowledge, background, and experience qualify him to be nominated for appointment to the Policy Advisory Board for Elder Affairs as a representative from Kauai County. Your Committee notes that Mr. Kualii is currently employed as the Director of Operations for the YWCA of Kauai. Mr. Kualii is also a member of the Elderly Affairs Advisory Council, and his service demonstrates that he has a thorough understanding of the role and responsibilities of board membership. Mr. Kualii has also served as a member of the Kauai County Council. Your Committee notes that Mr. Kualii brings with him a strong background of volunteerism and leadership, including his service as a director for the Hawaii Alliance for Community Based Economic Development, Hawaiian Community Assets, and Kauai North Shore Community Foundation, and as the President of the Anahola Hawaiian Homes Association and Pride At Work, AFL-CIO Hawaii, Kauai Sub-Chapter.

KATHLEEN WYATT

Your Committee received testimony in support of the nomination for the appointment of Kathleen Wyatt from the Office of the Long-Term Care Ombudsman, Executive Office on Aging, Policy Advisory Board for Elder Affairs, and two individuals.

Upon review of the testimony, your Committee finds that Ms. Wyatt's knowledge, background, and experience qualify her to be nominated for appointment to the Policy Advisory Board for Elder Affairs. Your Committee notes that Ms. Wyatt is currently employed as the President of Hale Hau'oli Hawai'i. Ms. Wyatt has approximately twelve years of experience in nursing and senior care, including with Azalea Health and Rehabilitation, Oceanside Hawaii Assisted Living, Avalon Care Center, and Kulana Malama Nursing Center. Your Committee also notes that Ms. Wyatt currently serves on the Policy Advisory Board for Elder Affairs as an interim member and has a thorough understanding of the role and responsibilities of board members. In her personal statement, Ms. Wyatt indicated that she wishes to continue her mission to promote positive aging based on her involvement with organizations dedicated to protecting kupuna, such as her membership in the Hawaii Pacific Gerontological Association, Hawaii Family Caregiver Coalition, and Adult Day Centers Hawaii.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3733 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 531 and 532

Recommending that the Senate advise and consent to the nominations of the following:

HEALTH PLANNING COUNCIL, WINDWARD OAHU SUBAREA

G.M. No. 531 JAMIE BOYD, for a term to expire 06-30-2018; and

G.M. No. 532 JAMIE BOYD, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Jamie Boyd for service on the Health Planning Council, Windward Oahu Subarea.

Your Committee received testimony in support of the nomination for the appointment and reappointment of Jamie Boyd from the State Health Planning and Development Agency and one individual.

Upon review of the testimony, your Committee finds that Dr. Boyd's experience, knowledge, and expertise qualify her to be nominated for appointment and reappointment to the Health Planning Council, Windward Oahu Subarea. Your Committee notes that Dr. Boyd is currently employed by the University of Hawaii at Windward Community College as a professor, Health Programs Coordinator, and Health Science Coordinator. Dr. Boyd's duties include coordinating the Indigenous Nursing Pathway program for the college. Your Committee also notes that Dr. Boyd serves as the Director of the Department of Labor's Certified Nursing Assistant Apprenticeship Program, previously served as a Family Nurse Practitioner, and led research projects dealing with indigenous and minority health, showing her commitment to Hawaiian health. Dr. Boyd is the Chair of the Worksites Committee of the Blue Zones Project, Ko'olaupoko, Hawaii, demonstrating her engagement with public health outside of medicine and her understanding of the role and responsibilities of Council membership.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3734 Commerce, Consumer Protection, and Health on Gov. Msg. No. 591

Recommending that the Senate advise and consent to the nomination of the following:

CHAIRPERSON OF THE REAL ESTATE COMMISSION

G.M. No. 591 MICHAEL PANG, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Michael Pang for service as the Chairperson of the Real Estate Commission.

Your Committee received testimony in support of the nomination for the reappointment of Michael Pang for the Chairperson of the Real Estate Commission from the Department of Commerce and Consumer Affairs, Real Estate Commission, Hawaiian Telcom, and three individuals.

Upon review of the testimony, your Committee finds that Mr. Pang's background, experience, and proven leadership on the Real Estate Commission qualify him to be nominated for reappointment to the Real Estate Commission and to serve as its Chairperson. Your Committee notes that Mr. Pang has been a licensed real estate broker since 1983; served as President and Principal Broker of his company, Monarch Properties, Inc., for nearly thirty years; is now the Principal Broker and sole member of MPI Consulting, LLC; and has a strong background in real estate ethics and dispute resolution processes. Your Committee further finds that Mr. Pang has served on the Real Estate Commission as the real estate broker member from the City and County of Honolulu since July 2014 and is currently the Vice Chairperson of the Laws and Rules Review Committee of the Commission. During his time on the Commission, Mr. Pang has served as a member of the Commission's Ad Hoc Committee on Education, which advised the Commission on the direction of its continuing education efforts; assisted in the creation of an online real estate educational video; provided his expertise to Japanese professors regarding the State's real estate leasehold issues; and introduced Commission staff to condominium professionals. Your Committee therefore finds that Mr. Pang remains a valuable asset to the Real Estate Commission and recommends that Mr. Pang be reappointed to the Real Estate Commission based on his knowledge, background, and dedication to serving the public.

As affirmed by the record of votes of the members of your Committee on Commerce, 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, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3735 Commerce, Consumer Protection, and Health on Gov. Msg. No. 559

Recommending that the Senate advise and consent to the nomination of the following:

STATE COUNCIL ON MENTAL HEALTH

G.M. No. 559 TIMOTHY LINO, for a term to expire 06-30-2019

Your Committee reviewed the personal history, resume, and statement submitted by Timothy Lino for service on the State Council on Mental Health.

Your Committee received testimony in support of the nomination for the appointment of Timothy Lino from the Department of Health and three individuals.

Upon review of the testimony, your Committee finds that Dr. Lino's experience as a school administrator, background, and knowledge qualify him for appointment to the State Council on Mental Health as a representative of the principal state agency with respect to education. Dr. Lino is currently employed as the School Health Section Administrator in the Department of Education,

Office of Curriculum, Instruction, and Student Support, where he leads the School Health Section as it implements a comprehensive school health services system in alignment with the Department of Education's Strategic Plan. Dr. Lino also has over twenty-five years of experience as a principal, vice-principal, and instructional director. Your Committee finds that Dr. Lino brings to the Council extensive expertise in working directly with children and families and in building partnerships through the entire community to care for the entire child and address systemic issues that may affect mental health.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3736 Commerce, Consumer Protection, and Health on Gov. Msg. No. 528

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, HAWAII COUNTY SUBAREA

G.M. No. 528 EVELYN KANESHIRO, for a term to expire 06-30-2019

Your Committee reviewed the personal history, resume, and statement submitted by Evelyn Kaneshiro for service on the Health Planning Council, Hawai'i County Subarea.

Your Committee received testimony in support of the nomination for the appointment of Evelyn Kaneshiro from the State Health Planning and Development Agency of the Department of Health and two individuals.

Upon review of the testimony, your Committee finds that Ms. Kaneshiro's knowledge, background, and experience qualify her to be nominated for appointment to the Health Planning Council, Hawai'i County Subarea. Your Committee notes that Ms. Kaneshiro is currently employed as an accountant for Kohala Hospital, where she oversees and manages the daily financial operations of the hospital. Your Committee further finds that Ms. Kaneshiro has been employed by Kohala Hospital for the past twenty years in financial roles of increasing responsibility. Your Committee finds that Ms. Kaneshiro's experience with health care finance, accounting, and insurance will be valuable resources for the Council, as will her work relocating the Kohala Hospital emergency room, which demonstrates her ability to handle large, complex projects. Your Committee finds that Ms. Kaneshiro, a lifelong resident of Hawaii County, is familiar with the challenges faced by health care providers in her community. Your Committee notes that Ms. Kaneshiro has demonstrated her commitment to public service by regularly volunteering with the Kohala Hospital Charitable Foundation and Kohala Okinawan Kenjin Kai Club.

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, 6. Noes, none. Excused, 1 (Ihara).

SCRep. 3737 Commerce, Consumer Protection, and Health on Gov. Msg. No. 547

Recommending that the Senate advise and consent to the nomination of the following:

LANGUAGE ACCESS ADVISORY COUNCIL

G.M. No. 547 MARIA ARSUAGA, for a term to expire 06-30-2021

Your Committee reviewed the personal history, resume, and statement submitted by Maria Arsuaga for service on the Language Access Advisory Council.

Your Committee received testimony in support of the nomination for the appointment of Maria Arsuaga from the Office of Language Access, Hawaii Interpreter Action Network, and one individual.

Upon review of the testimony, your Committee finds that Ms. Arsuaga's abilities, background, and interpreting credentials qualify her to be nominated for appointment to the Council as the representative of a professional interpreter's organization. Your Committee notes that Ms. Arsuaga has served as an interpreter for the past twenty-five years and has been federally certified as a court interpreter, the highest credential available to United States court interpreters, for eighteen years. Ms. Arsuaga is also a member of the Hawaii Interpreter Action Network and the National Association of Judicial Interpreters and Translators. Your Committee notes that Ms. Arsuaga has experience interpreting with federal courts as well as the United Nations General Assembly, and has provided interpretation services for a wide variety of clients, subjects, and settings. Ms. Arsuaga also has experience as a spokesperson to heighten public awareness with the Better Business Bureau of New York, demonstrating her commitment to serving the public. Your Committee finds that Ms. Arsuaga will bring a variety of practical experiences and a fresh perspective to the Council.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3738 Commerce, Consumer Protection, and Health on Gov. Msg. No. 533

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. 533 GARY HUTCHINSON, for a term to expire 06-30-2019

Your Committee reviewed the personal history, resume, and statement submitted by Gary Hutchinson for service on the Board of Certification of Operating Personnel in Wastewater Treatment Plants.

Your Committee received testimony in support of the nomination for the appointment of Gary Hutchinson from the Department of Health, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, and one individual.

Upon review of the testimony, your Committee finds that Mr. Hutchinson's knowledge and background qualify him to be nominated for appointment to the Board as an active member of the Hawaii Water Pollution Control Association. Your Committee notes that Mr. Hutchinson has over twenty-two years of experience in the wastewater and water reclamation fields, is currently a Wastewater Plant Engineer for the City and County of Honolulu, is a licensed engineer, and holds a Grade 4 wastewater treatment plant operator certificate. Mr. Hutchinson has also volunteered as the treasurer of the Nevada Water Environment Association, has a thorough understanding of the role and responsibilities of board members, and remains committed to serving the public and protecting the environment. Your Committee therefore recommends that Mr. Hutchinson be appointed to the Board of Certification of Operating Personnel in Wastewater Treatment Plants.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3739 Commerce, Consumer Protection, and Health on Gov. Msg. No. 583

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF PHARMACY

G.M. No. 583 ALANNA ISOBE, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Alanna Isobe for service on the Board of Pharmacy.

Your Committee received testimony in support of the nomination for the appointment of Alanna Isobe from the Department of Commerce and Consumer Affairs; Oahu County Committee, Legislative Priorities Committee of the Democratic Party of Hawaii; and four individuals.

Upon review of the testimony, your Committee finds that Ms. Isobe's knowledge, experience, and commitment to public service qualify her to be nominated for appointment to the Board of Pharmacy as a licensee member. Your Committee notes that Ms. Isobe has been a pharmacist for over twenty years; has worked in many different capacities as a community pharmacist, including as a pharmacy manager, pharmacy recruiter, and district pharmacy manager; and is currently the Pharmacy Manager for Safeway, Inc. Your Committee further finds that Ms. Isobe has been committed to the protection and promotion of public health throughout her career and since 2007, has led her company in protecting her patients against vaccine preventable diseases. Ms. Isobe has also worked with the Department of Health on various vaccination programs and was awarded the national Immunization Champion award in 2017 by the American Pharmacists Association, the highest honor in her profession for immunization practice excellence, for her efforts during the State's Hepatitis A outbreak. Your Committee additionally finds that Ms. Isobe has a thorough understanding of the role and responsibilities of board members and therefore recommends that Ms. Isobe be appointed to the Board of Pharmacy based on her experience, background, and dedication to serving her community.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3740 Commerce, Consumer Protection, and Health on Gov. Msg. No. 517

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOARD OF BARBERING AND COSMETOLOGY

G.M. No. 517 AMANDA SEVERSON, for a term to expire 06-30-2021

Your Committee reviewed the personal history, resume, and statement submitted by Amanda Severson for service on the State Board of Barbering and Cosmetology.

Your Committee received testimony in support of the nomination for the appointment of Amanda Severson from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Ms. Severson's background, experience, and commitment to public service qualify her to be nominated for appointment to the State Board of Barbering and Cosmetology as a beauty operator member. Your Committee notes that Ms. Severson has been in the beauty industry for over fifteen years, has been licensed in Hawaii as a cosmetologist since 2012, and is the owner, operator, and founder of Men's Hall Haircuts & Grooming Bar in Honolulu. Ms. Severson is also dedicated to community service and has worked on a number of community outreach and service programs, including with the YWCA, American Cancer Society, and University of Hawaii. Your Committee further finds that Ms. Severson has served as an interim member of the State Board of Barbering and Cosmetology since February 2018 and has a thorough understanding of the role and responsibilities of board members. Your Committee therefore recommends that Ms. Severson be appointed to the State Board of Barbering and Cosmetology based on her knowledge, experience, and dedication to serving her industry and 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, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3741 Commerce, Consumer Protection, and Health on Gov. Msg. No. 582

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOARD OF NATUROPATHIC MEDICINE

G.M. No. 582 KRISTEN COLES, for a term to expire 06-30-2020

Your Committee reviewed the personal history, resume, and statement submitted by Kristen Coles for service on the State Board of Naturopathic Medicine.

Your Committee received testimony in support of the nomination for the appointment of Kristen Coles from the Department of Commerce and Consumer Affairs; Oahu County Committee, Legislative Priorities Committee of the Democratic Party of Hawai'i; and three individuals.

Upon review of the testimony, your Committee finds that Dr. Coles' background, experience, and dedication to the community qualify her to be nominated for appointment to the State Board of Naturopathic Medicine as a licensee member. Your Committee notes that Dr. Coles has been licensed in Hawaii since 2012 and is a naturopathic physician and licensed acupuncturist at the Steelsmith Natural Health Center, where she sees an average of sixty patients a week and oversees, runs, and operates an intravenous nutritional therapy clinic that specializes in chronic disease, anti-aging, and sports recovery. Dr. Cole is an active member of her profession and is a member of the American Association of Naturopathic Physicians and the Hawaii Society of Naturopathic Physicians, where she worked closely with the Legislative Committee and previously served as the Secretary of the Executive Committee. Your Committee further finds that Dr. Coles has a thorough understanding of the role and responsibilities of board members and recommends that Dr. Coles be appointed to the State Board of Naturopathic Medicine based on her knowledge, experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3742 Commerce, Consumer Protection, and Health on Gov. Msg. No. 519

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF MASSAGE THERAPY

G.M. No. 519 JODIE HAGERMAN, for a term to expire 06-30-2021

Your Committee reviewed the personal history, resume, and statement submitted by Jodie Hagerman for service on the Board of Massage Therapy.

Your Committee received testimony in support of the nomination for the appointment of Jodie Hagerman from the Department of Commerce and Consumer Affairs and one individual.

Upon review of the testimony, your Committee finds that Ms. Hagerman's background and dedication to serving her community qualify her to be nominated for appointment to the Board of Massage Therapy as a public member. Your Committee notes that Ms. Hagerman is a retired attorney, licensed to practice law in California and Hawaii, whose prior experience includes working as a Staff Attorney for the Hawaii State Judiciary and as a Research Attorney for the Senate Majority Office. After her retirement, Ms. Hagerman was hired to develop, coordinate, and implement a continuing education program for Hawaii attorneys mandated by a Hawaii Supreme Court order, which gave her valuable insight into the rulemaking process. Your Committee further finds that Ms. Hagerman has been an interim member of the Board of Massage Therapy since January 2018 and has a thorough understanding of the role and responsibilities of board members, and her legal background and past work experience will be an asset to the Board. Your Committee therefore recommends that Ms. Hagerman be appointed to the Board of Massage Therapy based on her knowledge, background, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3743 Commerce, Consumer Protection, and Health on Gov. Msg. No. 524

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, TRI-ISLE SUBAREA

G.M. No. 524 CAROL PETITH-ZBICIAK, for a term to expire 06-30-2020

Your Committee reviewed the personal history, resume, and statement submitted by Carol Petith-Zbiciak for service on the Health Planning Council, Tri-Isle Subarea.

Your Committee received testimony in support of the nomination for the appointment of Carol Petith-Zbiciak from the State Health Planning and Development Agency and six individuals.

Upon review of the testimony, your Committee finds that Dr. Petith-Zbiciak's professional experience, knowledge, and commitment to public service qualify her for consideration for appointment to the Health Planning Council, Tri-Isle Subarea. Your Committee finds that Dr. Petith-Zbiciak is a family nurse practitioner and a tenured member of the faculty at University of Hawaii, Maui College. Your Committee notes that Dr. Petith-Zbiciak has been serving as an interim member of the Council and has a thorough understanding of the role and responsibilities of board members. Your Committee also finds that Dr. Petith-Zbiciak is active in her community, including volunteering at the annual Health Fair for the Homeless and Unsheltered and serving as a volunteer Nurse Practitioner at Maui Oral Health Center and Maui College Campus Health Center. Dr. Petith-Zbiciak also has a wide breadth of experience, including research and clinical work, home health care, and flight paramedic services, which will be valuable to the Council as it makes health-care decisions for the Tri-Isle Subarea.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3744 Commerce, Consumer Protection, and Health on Gov. Msg. No. 518

Recommending that the Senate advise and consent to the nomination of the following:

HAWAI'I MEDICAL BOARD

G.M. No. 518 GERI YOUNG, for a term to expire 06-30-2021

Your Committee reviewed the personal history, resume, and statement submitted by Geri Young for service on the Hawaii Medical Board.

Your Committee received testimony in support of the nomination for the appointment of Geri Young from the Department of Commerce and Consumer Affairs, Hawai'i Pacific Health, Pu'ulu Lapa'au, and four individuals.

Upon review of the testimony, your Committee finds that Dr. Young's background, experience, and commitment to public service qualify her to be nominated for appointment to the Hawaii Medical Board as a physician member representing the County of Kaua'i. Your Committee notes that Dr. Young is a board certified pediatrician, has practiced on Kaua'i for over thirty-five years, and has served as the Chief Medical Officer for the Kaua'i Medical Clinic since 2007. Dr. Young is extremely active in her community and with her profession and serves as a member of the Kaua'i Rural Health Association; on the Quality Improvement Advisory Committee of AlohaCare; on the board of Hale 'Ōpio Kaua'i, an organization that provides residential and community programs for youth; and on the board of Pu'ulu Lapa'au, an organization that assists health care providers. Your Committee further finds that Dr. Young's extensive experience as a health care administrator in private and public health care settings, combined with her thorough medical knowledge, will bring a valuable perspective to the Hawaii Medical Board. Your Committee therefore recommends that Dr. Young be appointed to the Hawaii Medical Board 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, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3745 Commerce, Consumer Protection, and Health on Gov. Msg. No. 520

Recommending that the Senate advise and consent to the nomination of the following:

MOTOR VEHICLE INDUSTRY LICENSING BOARD

G.M. No. 520 LARRY IGNAS, for a term to expire 06-30-2020

Your Committee reviewed the personal history, resume, and statement submitted by Larry Ignas for service on the Motor Vehicle Industry Licensing Board.

Your Committee received testimony in support of the nomination for the appointment of Larry Ignas from the Department of Commerce and Consumer Affairs; Hawaii Automobile Dealers' Association; and Oahu County Committee, Legislative Priorities Committee of the Democratic Party of Hawai'i.

Upon review of the testimony, your Committee finds that Mr. Ignas's background and commitment to serving his community qualify him to be nominated for appointment to the Motor Vehicle Industry Licensing Board as a public member. Your Committee notes that Mr. Ignas is a retired police officer who transitioned into the private security business, where he was the founder and owner of two security companies, Star Protection Agency and United Security Alarms, and gained twenty years of experience in the business of securing automobile dealerships. Mr. Ignas now serves as the General Manager of Alakea Corporate Tower. Your Committee further finds that Mr. Ignas has served as an interim member of the Motor Vehicle Industry Licensing Board since January 2018 and has a thorough understanding of the role and responsibilities of board members. Your Committee also finds that Mr. Ignas's desire to give back to his community will enhance the effectiveness of the Board and therefore recommends that Mr. Ignas be appointed to the Motor Vehicle Industry Licensing Board based on his experience, background, and dedication to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3746 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 548, 549, and 550

Recommending that the Senate advise and consent to the nominations of the following:

MENTAL HEALTH & SUBSTANCE ABUSE, HAWAII SERVICE AREA BOARD

G.M. No. 548 CARMEN BOWMAN, for a term to expire 06-30-2020;

G.M. No. 549 CAROL MATAYOSHI, for a term to expire 06-30-2018; and

G.M. No. 550 CAROL MATAYOSHI, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Carmen Bowman and Carol Matayoshi for service on the Mental Health & Substance Abuse, Hawaii Service Area Board.

CARMEN BOWMAN

Your Committee received testimony in support of the nomination for the appointment of Carmen Bowman from the Department of Health and two individuals.

Upon review of the testimony, your Committee finds that Ms. Bowman's knowledge, background, and experience qualify her to be nominated for appointment to the Board as a service area resident and provider who is a non-state employee. Your Committee finds that Ms. Bowman is currently employed at Child and Family Services, Ohana Support Services Program of East Hawaii, as a parent partner for parents of children with developmental, emotional, and behavioral challenges, and has served in this role for nearly twenty years. Ms. Bowman is also the parent of an adult child with a developmental delay. In her capacity as a parent partner, Ms. Bowman has empowered and supported parents and families struggling with developmental disabilities, providing information and referral services. Ms. Bowman has also demonstrated her commitment to community involvement through her participation in the East Hawaii Community Children's Council. Your Committee finds that Ms. Bowman has great experience in and comprehension of the affected community, and understands the role and responsibilities of membership in the Board.

CAROL MATAYOSHI

Your Committee received testimony in support of the nominations for the appointment and reappointment of Carol Matayoshi from the Department of Health, Oahu County Committee on Legislative Priorities of the Democratic Party, and five individuals.

Upon review of the testimony, your Committee finds that Ms. Matayoshi's knowledge, background, and experience qualify her to be nominated for appointment and reappointment to the Board as a service area resident and service provider who is a non-state employee. Ms. Matayoshi is a self-employed consultant providing research, development, and grant-writing services for Going Home Hawaii, a nonprofit organization that assists people who are released from prison return to community life through appropriate employment, training, and support services. Your Committee notes that over the past twenty years, she has previously worked as a case manager, program director, and grant administrator for a plethora of programs providing a wide range of services for the homeless, victims of drug and alcohol abuse, and the mentally ill. Your Committee notes that Ms. Matayoshi has valuable experiences working directly with those in need, as well as creating, funding, and managing programs for culturally diverse populations, such as the "Nine Months: Window of Hope" program, which encouraged women to abstain from drug use during pregnancy. Ms. Matayoshi is also familiar with existing mental health services and resources and is skilled at helping those in need access these services and resources.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3747 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 578, 579, 580, and 581

Recommending that the Senate advise and consent to the nominations of the following:

STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

- G.M. No. 578 MAUREEN BATES, for a term to expire 06-30-2019;
- G.M. No. 579 PHILIP ANA, for a term to expire 06-30-2021;
- G.M. No. 580 MICHELLE MURALT, for a term to expire 06-30-2020; and
- G.M. No. 581 SHANA METSCH, for a term to expire 06-30-2021

Your Committee reviewed the personal histories, resumes, and statements submitted by Maureen Bates, Philip Ana, Michelle Muralt, and Shana Metsch for service on the State Council on Developmental Disabilities.

MAUREEN BATES

Your Committee received testimony in support of the nomination for the appointment of Maureen Bates from the State Council on Developmental Disabilities, Department of Human Services, Goodwill Industries of Hawaii, and one individual.

Upon review of the testimony, your Committee finds that Ms. Bates' knowledge, experience, and expertise qualify her for appointment to the State Council on Developmental Disabilities as a representative of a state agency that administers funds provided under the Rehabilitation Act of 1973. Your Committee notes that Ms. Bates currently serves as the Administrator of the Department of Human Services, Division of Vocational Rehabilitation. Ms. Bates' experience will help the Council achieve its goal of providing individuals with intellectual and developmental disabilities with increased access to and opportunities for the education, training, and support services needed to succeed in the labor market. Your Committee also notes that Ms. Bates has been a certified Rehabilitation Counselor since 2001 and is familiar with best practices for vocational rehabilitation. Ms. Bates is also personally familiar with the challenges facing developmentally disabled persons as her sibling has an intellectual disability.

PHILIP ANA

Your Committee received testimony in support of the nomination for the appointment of Philip Ana from the State Council on Developmental Disabilities, Department of Health Executive Office on Aging, and three individuals.

Upon review of the testimony, your Committee finds that Mr. Ana's knowledge, experience, and expertise qualify him for appointment to the State Council on Developmental Disabilities as a representative of a state agency that administers funds provided under the Older Americans Act of 1965. Mr. Ana is currently employed as the Long-Term Disability Specialist for the Executive Office on Aging and will foster cooperation between the Council and the Executive Office on Aging and associated non-state actors and networks. Your Committee notes that Mr. Ana has spent the last thirty-one years as an advocate for Hawaii individuals with physical and cognitive disabilities and has demonstrated his desire to contribute to the community through his membership on the Advisory Committee for the No Wrong Door project, which aims to develop a network of agencies supporting individuals with long term service and support needs, including individuals who are elderly or disabled, to remain independent and lead meaningful lives.

MICHELLE MURALT

Your Committee received testimony in support of the nomination for the appointment of Michelle Muralt from the State Council on Developmental Disabilities, Disability and Communication Access Board, and one individual.

Upon review of the testimony, your Committee finds that Ms. Muralt's personal experience, strong commitment to the community, and history of public service qualify her for appointment to the State Council on Developmental Disabilities as an individual with a developmental disability. Ms. Muralt currently serves as the Event Chair of the Hawaii Self-Advocacy Advisory Council, which duties she discharges with articulation and enthusiasm. Ms. Muralt is an active community member and has volunteered at events for the State Council on Developmental Disabilities. As an individual with a developmental disability, Ms. Muralt views herself as the voice of other persons with developmental disabilities and seeks to represent her community and reduce bullying. Ms. Muralt also has experience with public engagement, previously serving as a contractor to assist at the Waianae Emergency Management Preparedness Fair at the Feeling Safe, Being Safe booth, explaining the program to members of the public.

SHANA METSCH

Your Committee received testimony in support of the nomination for the appointment of Shana Metsch from the State Council on Developmental Disabilities and five individuals.

Upon review of the testimony, your Committee finds that Ms. Metsch's personal experience, strong commitment to the community, and history of public service qualify her for appointment to the State Council on Developmental Disabilities as the parent of an individual with a developmental disability. Ms. Metsch has a record of public service and is an active member of the Epilepsy Foundation of Hawaii. Ms. Metsch's experience as a parent and familiarity with legal and social developments and existing bureaucracy related to disabilities and health care will help the Council address its goals relating to the provision of standardized screening, services, and supports to parents and family members of children at risk for developmental delays or with intellectual or developmental disabilities. Your Committee finds that Ms. Metsch already serves as an unofficial resource to other members of the community on Kauai, and that her service on the Council will allow her to share her knowledge with a wider audience.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has

found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3748 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 554 and 555

Recommending that the Senate advise and consent to the nominations of the following:

MENTAL HEALTH & SUBSTANCE ABUSE, OAHU SERVICE AREA BOARD

G.M. No. 554 RANDOLPH HACK, for a term to expire 06-30-2018; and

G.M. No. 555 RANDOLPH HACK, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Randolph Hack for service on the Mental Health and Substance Abuse, Oahu Service Area Board.

Your Committee received testimony in support of the nomination for the appointment and reappointment of Randolph Hack from the Department of Health, Mental Health America of Hawaii, National Alliance on Mental Illness, and five individuals.

Upon review of the testimony, your Committee finds that Mr. Hack's experience, knowledge, and background qualify him to be nominated for appointment and reappointment to the Mental Health and Substance Abuse, Oahu Service Area Board as a resident who is a consumer or nonprovider of mental health services. Your Committee notes that, prior to his retirement, Mr. Hack served as the Consumer Advisor in the Department of Health Adult Mental Health Division for eighteen years. Mr. Hack also served for over thirty years as an advocate for persons with mental illness with a passion for helping them achieve respect and dignity and develop their full potential. Mr. Hack served the Board of Directors of the National Alliance on Mental Illness as an advisor, member, and vice-president for over eleven years and also served on the Diamond Head Service Area Board and the State Council on Mental Health, demonstrating his thorough understanding of the role and responsibilities of board members.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3749 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 521, 522, and 523

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII ADVISORY COMMISSION ON DRUG ABUSE AND CONTROLLED SUBSTANCES

G.M. No. 521 BRYAN WATKINS, for a term to expire 06-30-2018;

G.M. No. 522 BRYAN WATKINS, for a term to expire 06-30-2022; and

G.M. No. 523 DIANA FELTON, for a term to expire 06-30-2019

Your Committee reviewed the personal histories, resumes, and statements submitted by Bryan Watkins and Diana Felton for service on the Hawaii Advisory Commission on Drug Abuse and Controlled Substances.

BRYAN WATKINS

Your Committee received testimony in support of the nominations for the appointment and reappointment of Bryan Watkins from the Department of Health, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii'i, Drug Policy Forum of Hawaii, and two individuals.

Upon review of the testimony, your Committee finds that Mr. Watkins' knowledge, background, and expertise qualify him to be nominated for appointment and reappointment to the Commission as the representative of the youth action segment of the community. Your Committee finds that Mr. Watkins is the co-owner of Clark Hatch Fitness Center, and notes the importance of physical and mental health in the prevention of drug and substance abuse. Your Committee also notes that Mr. Watkins serves on the executive committee of the Rotary Club of Honolulu, and in this capacity is actively involved in philanthropic work with an emphasis on outreach to at-risk youth. Your Committee finds that Mr. Watkins specifically helped organize the Rotary Club's "Ride So They Can Walk" campaign, whose participants collected pledges for each mile they biked, with the proceeds contributed to eradicating polio. Your Committee also finds that Mr. Watkins' strong community and business ties will be valuable resources for the Commission.

DIANA FELTON

Your Committee received testimony in support of the nomination for the appointment of Diana Felton from the Department of Health, Drug Policy Forum of Hawaii, and three individuals.

Upon review of the testimony, your Committee finds that Dr. Felton's knowledge, background, and expertise qualify her to be nominated for appointment to the Commission as the representative of the medical segment of the community. Your Committee notes that Dr. Felton is currently employed as an assistant clinical professor at the John A. Burns School of Medicine and as a board-certified emergency physician with Hawaii Emergency Physicians Associated, putting her in touch with the academic community and the front lines of the medical treatment field, especially with respect to drug and alcohol addiction. Dr. Felton is also one of the few board-certified toxicologists in Hawaii; in this capacity, she has conducted extensive research on poisoning and drug addiction. Your

Committee also notes that Dr. Felton has experience dealing with the opioid epidemic in Massachusetts and Hawaii. Dr. Felton has also worked in one of the regions with the highest heroin usage, treated thousands of overdoses, and helped families recover from drug abuse, and is eager to provide scientifically sound recommendations to prevent and treat alcohol and drug abuse in Hawaii.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3750 Commerce, Consumer Protection, and Health on Gov. Msg. No. 529

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, HAWAII COUNTY SUBAREA

G.M. No. 529 JOHN BARNETT, for a term to expire 06-30-2019

Your Committee reviewed the personal history, resume, and statement submitted by John Barnett for service on the Health Planning Council, Hawaii County Subarea.

Your Committee received testimony in support of the nomination for the appointment of John Barnett from the State Health Planning and Development Agency and two individuals.

Upon review of the testimony, your Committee finds that Dr. Barnett's knowledge, background, and prior experience on the Statewide Health Coordinating Council qualify him to be nominated for appointment to the Health Planning Council, Hawaii County Subarea. Your Committee notes that Dr. Barnett is currently the Principal of the Barnett Consulting Group, LLC; in this capacity, he helps organizations achieve greater effectiveness and improved results. Dr. Barnett has also demonstrated his commitment to public service as a board member of the Kona-Kohala Chamber of Commerce, and he has a thorough understanding of the role and responsibilities of Council members. Your Committee notes that Dr. Barnett also has familiarity with the health care community, as he has served as an advisor for the Mayor of the County of Hawaii's health care conference, served on the Statewide Health Coordinating Council, and assisted with the formation of the Hawaii Island Healthcare Alliance. Dr. Barnett's work with the Hawaii Island Healthcare Alliance led to strategic sharing of resources among the island's hospitals and third-party payers, resulting in lasting change.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3751 Commerce, Consumer Protection, and Health on Gov. Msg. No. 530

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, HONOLULU SUBAREA

G.M. No. 530 HILARY OKUMURA, for a term to expire 06-30-2019

Your Committee reviewed the personal history, resume, and statement submitted by Hilary Okumura for service on the Health Planning Council, Honolulu Subarea.

Your Committee received testimony in support of the nomination for the appointment of Hilary Okumura from the State Health Planning and Development Agency, Arcadia Family of Companies, Damien Healthcare Consultants, and one individual.

Upon review of the testimony, your Committee finds that Ms. Okumura's knowledge, background, and experience qualify her to be nominated for appointment to the Health Planning Council, Honolulu Subarea. Your Committee notes that Ms. Okumura currently serves as the Administrator for Nuuanu Hale, a care home. Ms. Okumura has served in a similar capacity for Arcadia Home Health Services and Craigside Retirement Residence for a total of approximately seven years. Ms. Okumura is also active in the community, including as President and coach for Leahi Soccer Club. Ms. Okumura has also volunteered with the Office of Health Care Assurance, Kidney Health and Diabetes Management Program, and Kapiolani Medical Center for Women and Children. Ms. Okumura has also worked with Na Pu'uwai Native Hawaiian Healthcare System, based on Moloka'i and Lāna'i, which provided Ms. Okumura with insight into providing healthcare for marginalized populations, including kupuna. Your Committee finds that Ms. Okumura will serve as a knowledgeable and diligent member of the Council.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3752 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 576 and 577

Recommending that the Senate advise and consent to the nominations of the following:

DISABILITY AND COMMUNICATION ACCESS BOARD

G.M. No. 576 VIOLET HORVATH, for a term to expire 06-30-2022; and

G.M. No. 577 RONALD AWA, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Violet Horvath and Ronald Awa for service on the Disability and Communication Access Board.

VIOLET HORVATH

Your Committee received testimony in support of the nomination for the appointment of Violet Horvath from the Disability and Communication Access Board and three individuals.

Upon review of the testimony, your Committee finds that Dr. Horvath's knowledge, background, and personal and professional experience qualify her to be nominated for appointment to the Disability and Communication Access Board as a member with a disability. Your Committee notes that Dr. Horvath is currently employed as the Director of the Pacific Disabilities Center of the Research Corporation of the University of Hawaii at Manoa. More than half of the staff at the Pacific Disabilities Center have disabilities, including Dr. Horvath, who has a mobility disability. Dr. Horvath has already worked with the Disability and Communication Access Board through the Pacific Disabilities Center with respect to the licensing and regulation of American Sign Language interpreters and the establishment of a Comprehensive Deaf Services Center. In her personal statement, Dr. Horvath indicates that she wants to bring her belief in universal design to the Board and improve access to all users by providing access to disabled users.

RONALD AWA

Your Committee received testimony in support of the nomination for the appointment of Ronald Awa from the Disability and Communication Access Board and three individuals.

Upon review of the testimony, your Committee finds that Mr. Awa's knowledge, background, and expertise qualify him to be nominated for appointment to the Disability and Communication Access Board as a member with knowledge of areas for which the Board has rulemaking authority. Specifically, Mr. Awa is currently employed as a licensed architect with Awa and Associates, and in this capacity he has helped create projects for both the public and private sector which are accessible for persons with disabilities. Mr. Awa has forty-seven years of experience in the architectural design profession, including the last thirty-two with Awa and Associates. Mr. Awa has previously served on the Disability and Communication Access Board and on a predecessor agency, the Architectural Access Committee, and has a thorough understanding of the role and responsibilities of a board member. Mr. Awa has also demonstrated his strong commitment to professional and community engagement, having served as the chair of several architectural review committees and as a member of Lions Club International, East Manoa Lions Club and the United Okinawan Association, Urasoe Shijin Kai.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3753 Commerce, Consumer Protection, and Health on Gov. Msg. No. 560

Recommending that the Senate advise and consent to the nomination of the following:

STATEWIDE HEALTH COORDINATING COUNCIL

G.M. No. 560 JOANNE KEALOHA, for a term to expire 06-30-2021

Your Committee reviewed the personal history, resume, and statement submitted by Joanne Kealoha for service on the Statewide Health Coordinating Council.

Your Committee received testimony in support of the nomination for the appointment of Joanne Kealoha from the State Health Planning and Development Agency and four individuals.

Upon review of the testimony, your Committee finds that Dr. Kealoha's professional experience, knowledge, and background qualify her to be nominated for appointment to the Statewide Health Coordinating Council. Your Committee notes that Dr. Kealoha is the Chair of Nursing and a full-time instructor at Argosy University, where she helped establish an RN-BSN program. Prior to employment at Argosy University, Dr. Kealoha served as an advanced practice registered nurse at the Hawaii Baptist Academy, Hilo Medical Center, Department of Veterans' Affairs, and Hawaii Department of Health. Dr. Kealoha also previously served as a Labor Relations Specialist for the Hawaii Nurses Association. Dr. Kealoha looks forward to bringing her breadth of experience gained from thirty-four years of service as a nurse to the Council to help meet the healthcare needs of local residents from a diverse array of backgrounds.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3754 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 551 and 552

Recommending that the Senate advise and consent to the nominations of the following:

MENTAL HEALTH & SUBSTANCE ABUSE, MAUI SERVICE AREA BOARD

G.M. No. 551 TARA BERRY, for a term to expire 06-30-2020; and

G.M. No. 552 DANIELLE BERGAN, for a term to expire 06-30-2019

Your Committee reviewed the personal histories, resumes, and statements submitted by Tara Berry and Danielle Bergan for service on the Mental Health and Substance Abuse, Maui Service Area Board.

TARA BERRY

Your Committee received testimony in support of the nomination for the appointment of Tara Berry from the Department of Health and one individual.

Upon review of the testimony, your Committee finds that Ms. Berry's experience, knowledge and background qualify her to be nominated for appointment to the Mental Health and Substance Abuse, Maui Service Area Board as a non-state employee service area provider. Your Committee notes that Ms. Berry worked from 2009 to 2011 as a primary counselor for the Po'ailani Dual Diagnosis Facility and from 2001 to 2009 as a residential counselor with the Salvation Army Adult Treatment Services. Ms. Berry has unique experience as a past provider and past consumer of substance use services, and her experience and awareness of issues pertaining to the substance use community will be invaluable to the Board. Ms. Berry has also demonstrated her commitment to public service as an active volunteer with Cup of Cold Water, Aloha House, Maui Economic Opportunity, and Mental Health Kokua and Hospice and thoroughly understands the role and responsibilities of a Board member.

DANIELLE BERGAN

Your Committee received testimony in support of the nomination for the appointment of Danielle Bergan from the Department of Health and two individuals.

Upon review of the testimony, your Committee finds that Ms. Bergan's experience, passion, and background qualify her to be nominated for appointment to the Mental Health and Substance Abuse, Maui Service Area Board as a Maui service area resident who is a consumer or nonprovider of mental health services. Your Committee notes that Ms. Bergan has most recently worked as the human resources and administration manager and intake coordinator for Ka Hale A Ke Ola Homeless Resource Centers. Ms. Bergan has also served as a member of the Prevent Suicide Maui County Task Force and the Board of Directors for Mental Health America, Maui Chapter, showing that she has a thorough understanding of the role and responsibilities of a Board member. Ms. Bergan's experience as an individual who has struggled with substance use, clinical depression, and suicidal thoughts and has subsequently overcome those struggles will be a valuable resource to the Board. Ms. Bergan is passionate about helping individuals address their mental health challenges and plans to advocate for the strengthening of mental health services especially for children, in Maui County.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3755 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 534 and 535

Recommending that the Senate advise and consent to the nominations of the following:

EMERGENCY MEDICAL SERVICES ADVISORY COMMITTEE

G.M. No. 534 PETER DI ROCCO, for a term to expire 06-30-2018; and

G.M. No. 535 PETER DI ROCCO, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Peter Di Rocco for service on the Emergency Medical Services Advisory Committee.

Your Committee received testimony in support of the nomination for the appointment and reappointment of Peter Di Rocco from the Department of Health, Emergency Medical Services for Children Program, and two individuals.

Upon review of the testimony, your Committee finds that Dr. Di Rocco's experience, background, and expertise qualify him to be nominated for appointment and reappointment to the Emergency Medical Services Advisory Committee as a physician experienced in the conduct of emergency medical services and engaged in the practice of pediatrics and board-certified by the American Board of Pediatrics. Your Committee notes that Dr. Di Rocco is employed as an Assistant Professor of Pediatrics/Pediatric Emergency Medicine at the University of Hawaii John A. Burns School of Medicine and as an Emergency Physician at Kapiolani Medical Center for Women and Children. Dr. Di Rocco is board-certified in Pediatrics and Pediatric Medicine. Dr. Di Rocco also serves as the American Academy of Pediatrics Hawaii representative for pediatric disaster preparedness, as a medical officer for the Hawaii Disaster Medical Assistance Team, as a member of the Hawaii Public Health Corporate Emergency Management Committee, as a member of the Kapiolani Emerging Infectious Disease Preparedness Task Force, and as the Trauma Liaison for the Kapiolani Emergency Department. Your Committee notes that Dr. Di Rocco's expertise in pediatrics and disaster preparedness uniquely qualify him for this position.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has

found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3756 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 525 and 526

Recommending that the Senate advise and consent to the nominations of the following:

HEALTH PLANNING COUNCIL, WEST OAHU SUBAREA

G.M. No. 525 ERIC BARSATAN, for a term to expire 06-30-2018; and

G.M. No. 526 ERIC BARSATAN, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Eric Barsatan for service on the Health Planning Council, West Oahu Subarea.

Your Committee received testimony in support of the nomination for the appointment and reappointment of Eric Barsatan from the State Health Planning and Development Agency; Keiki Care Center of Hawaii; Aloha Habilitation Services, Inc.; The Filipino Chamber of Commerce; and one individual.

Upon review of the testimony, your Committee finds that Mr. Barsatan's experience, knowledge, and commitment to public service qualify him to be nominated for appointment to the Health Planning Council, West Oahu Subarea. Your Committee notes that Mr. Barsatan is currently employed as the Manager for Physician Liaisons, Medical Staff Services, and Physician Relations at The Queen's Medical Center, West Oahu. Your Committee also notes that Mr. Barsatan is the owner and chief instructor of Hawaii CPR Training Services, LLC and the owner and administrator of Aloha Angel Care, LLC, a care home. Mr. Barsatan has also worked for Kaiser Permanente as a Coordinator of Contingent Workers. Mr. Barsatan is familiar with the needs and concerns of health care providers and patients and is especially engaged in the West Oahu region. Mr. Barsatan is also active in the community, serving as a member of the Board of Directors of the Filipino Community Center and formerly serving as the Manager of the Office of Boards and Commissions for the State, and has a thorough understanding of the role and responsibilities of council members.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Tokuda).

SCRep. 3757 Water and Land on Gov. Msg. No. 605

Recommending that the Senate advise and consent to the nomination of the following:

LEGACY LAND CONSERVATION COMMISSION

G.M. No. 605 FREDERICK WARSHAUER, for a term to expire 06-30-2022

Your Committee reviewed, the personal history, resume, and statement submitted by Frederick Warshauer for service on the Legacy Land Conservation Commission.

Your Committee received testimony in support of the nomination for the reappointment of Frederick Warshauer from the Department of Land and Natural Resources, Moloka'i Land Trust, and one individual.

Upon review of the testimony, your Committee finds that Mr. Warshauer's experience as a field biologist, commitment to public service, and proven leadership qualify him to be nominated for reappointment to the Legacy Land Conservation Commission as a member possessing scientific qualifications as evidenced by an academic degree in wildlife or marine biology, botany, forestry, ecology, resource management, biogeography, zoology, or geology. Your Committee notes that Mr. Warshauer has worked with native plants and vegetation throughout the State over the last forty-five years and worked in various roles for federal and local government, including as a Wildlife Biologist and Botanist for the United States Fish and Wildlife Service, a Coastal Zone Management Planner for the County of Hawai'i, and Senior Research Associate for the United States Geological Survey, Pacific Islands Ecosystems Research Center.

Your Committee further notes that as a member of the Legacy Land Conservation Commission, Mr. Warshauer recently helped the staff of the Department of Land and Natural Resources plan and conduct a site visit to inspect the condition of property and resources acquired through a land acquisition grant. Testimony received in support of the nominee indicates that he is a great asset for assisting with further development and implementation of the monitoring component of the Legacy Land Conservation Program. His broad knowledge and deep experience in natural history and resource protection will continue to fill a valuable niche on the Commission.

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, 3. Noes, none. Excused, 2 (Gabbard, Inouye).

SCRep. 3758 Commerce, Consumer Protection, and Health on Gov. Msg. No. 652

Recommending that the Senate advise and consent to the nomination of the following:

PUBLIC UTILITIES COMMISSION

G.M. No. 652 JENNIFER POTTER, for a term to expire 06-30-2024

Your Committee reviewed the personal history, resume, and statement submitted by Jennifer Potter for service on the Public Utilities Commission.

Your Committee received testimony in support of the nomination for the appointment of Jennifer Potter from the Office of the Governor; Department of Business, Economic Development, and Tourism; Department of Transportation; Office of Enterprise Technology Services; Public Utilities Commission; Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Distributed Energy Resources Council of Hawaii; Tesla; Sacramento Municipal Utility District; Elemental Excelsior; Hawaii Solar Energy Association; Gridworks; Hawai'i Energy; Haiku Design and Analysis; Sierra Club of Hawai'i; Turner Engineering Corporation; Alliance for Solar Choice; ProVision Solar, Inc.; and twenty-seven individuals.

Upon review of the testimony, your Committee finds that Ms. Potter's background, experience, and commitment to public service qualify her to be nominated for appointment to the Public Utilities Commission. Your Committee notes that Ms. Potter graduated from Southern Oregon University with a Bachelor of Arts in International Studies and Economics and holds a Master of Science in Public Policy and Management from Carnegie Mellon University, an educational background that will be extremely valuable to the Public Utilities Commission as the State moves toward its renewable energy goal. Your Committee further finds that Ms. Potter has extensive experience in the energy sector and is currently an Assistant Specialist with the University of Hawai'i at Mānoa's Hawai'i National Energy Institute, where she researches scenarios for Hawai'i's future renewable energy mix.

Prior to joining the Hawai'i National Energy Institute, Ms. Potter was a Senior Scientific Engineering Associate in the Energy Markets and Policy Group at Lawrence Berkeley National Laboratory in Berkeley, California. In that capacity, Ms. Potter served as the lead researcher on the 2025 California Demand Response Potential Study for the California Public Utilities Commission, a three-year project that investigated the technical, market, and economic potential for demand response to provide service to the bulk power system. Ms. Potter also worked at the Sacramento Municipal Utility District (SMUD) in various positions, including as Project Manager for SMUD's SmartPricing Options pilot, one of the nation's most renowned experimentally-designed demand response and time-of-use pricing pilot programs that has heavily influenced regulators throughout California, and as an Electric Analyst for the City of Roseville, California.

Your Committee additionally finds that Ms. Potter recognizes and supports the State's energy policies and goals. Ms. Potter 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. Ms. Potter indicated in her personal statement that she acknowledges that the Public Utilities Commission regulates over 1,700 public utilities and service providers that deliver electricity, water and sewage, gas, and telecommunications, as well as motor carrier and maritime transportation services. Ms. Potter, as a dedicated public servant, understands the importance of the State's regulated utilities and the far-reaching impacts Commission decisions have on these entities, residents, and visitors and is committed to working diligently to serve and protect consumers in Hawaii.

Finally, your Committee notes that Ms. Potter's utility background and research experience have uniquely prepared her for the role of Commissioner, as the current energy dockets in front of the Public Utilities Commission fall within Ms. Potter's areas of expertise, including transmission and distribution grid operations, conventional and renewable sources, distributed energy resources, integration of demand side resources, time-based pricing, and demand response.

Your Committee therefore finds that Ms. Potter's extensive skills, knowledge, and accomplishments in the emerging utility business will be an invaluable complement to the expertise of the other Commissioners and recommends that Ms. Potter be appointed to the Public Utilities Commission based on her experience, 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, 5. Noes, none. Excused, 2 (Chang, Ihara).

SCRep. 3759 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 619, 648, and 679

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF MASSAGE THERAPY

G.M. No. 619 PAULA BEHNKEN, for a term to expire 06-30-2022;

G.M. No. 648 OLIVIA NAGASHIMA, for a term to expire 06-30-2022; and

G.M. No. 679 STEPHANIE BATH, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Paula Behnken, Olivia Nagashima, and Stephanie Bath for service on the Board of Massage Therapy.

PAULA BEHNKEN

Your Committee received testimony in support of the nomination for the reappointment of Paula Behnken from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Ms. Behnken's background, commitment to public service, and proven leadership on the Board of Massage Therapy qualify her to be nominated for reappointment to the Board of Massage Therapy as a public member. Your Committee notes that Ms. Behnken was previously employed in an administrative capacity at the Maui School of Therapeutic Massage, a position which enabled her to gain familiarity with the practice of massage therapy. Your Committee further finds that Ms. Behnken has been a member of the Board of Massage Therapy since 2015 and has assisted in the updating of the Board's administrative rules to more clearly and concisely define the scope of practice and standards of care for licensed massage therapists. Ms. Behnken also currently serves as the Vice Chair for the Board of Massage Therapy and her insights as a public member continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Ms. Behnken be reappointed to the Board of Massage Therapy based on her experience, background, and dedication to public service.

OLIVIA NAGASHIMA

Your Committee received testimony in support of the nomination for the appointment of Olivia Nagashima from the Department of Commerce and Consumer Affairs and four individuals.

Upon review of the testimony, your Committee finds that Ms. Nagashima's background, knowledge, and prior experience on the Board of Massage Therapy qualify her to be nominated for appointment to the Board of Massage Therapy as a licensee member. Your Committee notes that Ms. Nagashima has been a licensed massage therapist since 1996; is the owner, principal, and sponsoring therapist of Ko'olau Massage; and serves as department chair of the massage therapy program at Remington College – Honolulu Campus. Ms. Nagashima is also an active member and current President of the Hawaii Chapter of the American Massage Therapy Association. Your Committee further finds that Ms. Nagashima has a thorough understanding of the role and responsibilities of board members by virtue of her prior service on the Board of Massage Therapy from 2008 to 2016, where she also served as past Chair, and her extensive experience in the field of massage therapy will once again be an asset to the Board. Your Committee therefore recommends that Ms. Nagashima be appointed to the Board of Massage Therapy based on her knowledge, experience, and commitment to serving her community.

STEPHANIE BATH

Your Committee received testimony in support of the nomination for the reappointment of Stephanie Bath from the Department of Commerce and Consumer Affairs and six individuals.

Upon review of the testimony, your Committee finds that Ms. Bath's knowledge, background, and proven experience on the Board of Massage Therapy qualify her to be nominated for reappointment to the Board of Massage Therapy as a licensee member. Your Committee notes that Ms. Bath has been a licensed massage therapist since 1981 and is a licensed massage therapist in private practice in Hilo, Hawaii. Ms. Bath is also an active member of her community, including serving as a volunteer with the American Red Cross and the Hawai'i County Community Emergency Response Team Program. Your Committee further finds that Ms. Bath previously served on the Board of Massage Therapy from 1987 until 1992 and has been a current member of the Board since April 2014, where she has been assisting in proposed revisions to the Board's administrative rules. Your Committee further finds that Ms. Bath's extensive knowledge gained during her many years as a licensed massage therapist has been invaluable to the Board's discussions and therefore recommends that Ms. Bath be reappointed to the Board of Massage Therapy based on her experience, background, and dedication to public service.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3760 Commerce, Consumer Protection, and Health on Gov. Msg. No. 621

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF PSYCHOLOGY

G.M. No. 621 MARTY OLIPHANT, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Marty Oliphant for service on the Board of Psychology.

Your Committee received testimony in support of the nomination for the reappointment of Marty Oliphant from the Department of Commerce and Consumer Affairs and four individuals.

Upon review of the testimony, your Committee finds that Mr. Oliphant's background, knowledge, and proven experience on the Board of Psychology qualify him to be nominated for reappointment to the Board of Psychology as a public member. Your Committee notes that Mr. Oliphant is a social worker who currently serves as the Director of Kipuka Services for Lili'uokalani Trust. Mr. Oliphant previously served as the Director of Programs for HUGS (Help, Understanding, & Group Support) and as the former Executive Director of the National Association of Social Workers, Hawai'i Chapter. Mr. Oliphant is also an active member on community boards and task committees, including serving on review committees for grants and proposals, Child Welfare Services, and program evaluation teams. Your Committee further finds that Mr. Oliphant has served on the Board of Psychology since July 2014 and his commitment to embracing opportunities that enhance his knowledge of matters relating to the licensure and regulation of psychologists, such as serving on the national Mobility Program Committee for the Association of State and Provincial Psychology Boards, continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Oliphant be reappointed to the Board of Psychology based on his experience, background, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3761 Commerce, Consumer Protection, and Health on Gov. Msg. No. 592

Recommending that the Senate advise and consent to the nomination of the following:

REAL ESTATE COMMISSION

G.M. No. 592 SEAN GINOZA, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Sean Ginoza for service on the Real Estate Commission.

Your Committee received testimony in support of the nomination for the reappointment of Sean Ginoza from the Real Estate Commission, one member of the Hawai'i County Council, and one individual.

Upon review of the testimony, your Committee finds that Mr. Ginoza's background, knowledge, and proven experience on the Real Estate Commission qualify him to be nominated for reappointment to the Real Estate Commission as a real estate broker member representing Hawaii County. Your Committee notes that Mr. Ginoza is a real estate broker with over ten years' experience in the real estate industry and is currently a Property Manager and Vice President with Ginoza Realty, Inc., in Hilo, Hawaii. Mr. Ginoza is also an active member of his profession and in his community, and is a member of the Hawai'i Island REALTORS, Hawai'i Island Chamber of Commerce, and Japanese Chamber of Commerce. Your Committee further finds that Mr. Ginoza has served on the Real Estate Commission since late 2016 and his experience as a real estate broker specializing in property management continues to be an asset to the Commission. Your Committee therefore recommends that Mr. Ginoza be reappointed to the Real Estate Commission based on his knowledge, experience, and dedication to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3762 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 573, 686, and 707

Recommending that the Senate advise and consent to the nominations of the following:

DISABILITY AND COMMUNICATION ACCESS BOARD

G.M. No. 573 ANTHONY AKAMINE, for a term to expire 06-30-2022;

G.M. No. 686 JUSTIN TOKIOKA, for a term to expire 06-30-2019; and

G.M. No. 707 ROSANNA DANIEL-KANETAKE, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Anthony Akamine, Justin Tokioka, and Rosanna Daniel-Kanetake for service on the Disability and Communication Access Board.

ANTHONY AKAMINE

Your Committee received testimony in support of the nomination for the appointment of Anthony Akamine from the Disability and Communication Access Board, Hawaii Association of the Blind, and two individuals.

Upon review of the testimony, your Committee finds that Mr. Akamine's background, experience, and dedication to serving the public qualify him to be nominated for appointment to the Disability and Communication Access Board as a consumer or person with a disability representing the population of individuals who are blind or have low vision. Your Committee finds that Mr. Akamine is currently employed as an Elections Specialist with the Office of Elections. In this capacity, Mr. Akamine provides guidance and education to ensure that the voting process is accessible to people with disabilities. Mr. Akamine previously served on the Disability and Communication Access Board from 1994 to 2007, and understands the role and responsibilities of board membership. Mr. Akamine is also an active member of the Hawaii Association of the Blind (HAB), and provides representation for HAB to the Oahu Metropolitan Planning Organization (OMPO), making sure that OMPO takes into account the needs of persons who are blind or have low vision.

JUSTIN TOKIOKA

Your Committee received testimony in support of the nomination for the appointment of Justin Tokioka from the Disability and Communication Access Board; Bernard Carvalho, Jr., Mayor of Kauai County; and one individual.

Upon review of the testimony, your Committee finds that Mr. Tokioka's experience, leadership, and background qualify him to be nominated for appointment to the Disability and Communication Access Board as a consumer or person with a disability representing the population of individuals who are deaf or hard of hearing. Your Committee finds that Mr. Tokioka has previously been employed by summer camps for the deaf offered through the Comprehensive Service Center's Youth Leadership Program. Your Committee finds

that Mr. Tokioka has demonstrated his commitment to advocacy for the deaf and hard of hearing population by urging the passage of Act 39, Session Laws of Hawaii 2015, which requires movie theaters to provide twice-weekly screenings of films with open captioning, and successfully challenging a youth baseball league rule which did not provide for the use of a sign-language interpreter. Your Committee also finds that Mr. Tokioka's experience requesting and using a variety of aids gives him insight into ways to improve access for persons with disabilities throughout the State.

ROSANNA DANIEL-KANETAKE

Your Committee received testimony in support of the nomination for the reappointment of Rosanna Daniel-Kanetake from the Disability and Communication Access Board and two individuals.

Upon review of the testimony, your Committee finds that Ms. Daniel-Kanetake's knowledge, experience, and background qualify her to be nominated for appointment to the Disability and Communication Access Board as a consumer or person with a disability representing the population of individuals with mobility disabilities. Your Committee finds that Ms. Daniel-Kanetake currently works as a Victim Witness Counselor for the Honolulu Prosecutor's Safe House, which provides victims of domestic abuse, sexual assault, and human trafficking with transitional housing. Your Committee further finds that Ms. Daniel-Kanetake has worked in the social services field for over twenty years, gaining experience in developing programs, working with clients with disabilities, and grant writing, which will be valuable to the Board. Your Committee finds that Ms. Daniel-Kanetake currently serves on the Disability Communication Access Board as the Chairperson of the Legislative Committee and as a member of the Executive Committee and has demonstrated that she understands the role and responsibilities of board membership.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3763 Education on Gov. Msg. Nos. 650 and 651

Recommending that the Senate advise and consent to the nominations of the following:

HAWAI'I TEACHER STANDARDS BOARD

G.M. No. 650 LESLIE MURASHIGE, for a term to expire 06-30-2022; and

G.M. No. 651 BRANDEN KAWAZOE, for a term to expire 06-30-2022

Your Committee has reviewed the personal histories, resumes, and statements submitted by Leslie Murashige and Branden Kawazoe for service on the Hawai'i Teacher Standards Board.

LESLIE MURASHIGE

Your Committee received testimony in support of the nomination for the appointment of Leslie Murashige from two individuals.

Upon review of the testimony, your Committee finds that Mr. Murashige presently provides airline consulting services and has extensive administration and management experience. His professional work experience includes President of Hawaii Island Air; Vice President and Chief Operating Officer of Lanakila Pacific; Chief Operating Officer and Vice President of Sales and Revenue Management for Hawaii Island Air, Inc.; and various managerial positions in the airline industry. In his personal statement, Mr. Murashige indicated his past accomplishments and interests related to the fiduciary responsibility of the Hawai'i Teacher Standards Board and his hopes to better understand and assist the Executive Director with expenditures and revenue forecasting. Your Committee therefore finds that Mr. Murashige's leadership experience, as well as his willingness to serve, will be great assets to the Hawai'i Teacher Standards Board.

BRANDEN KAWAZOE

Your Committee received testimony in support of the nomination for the appointment of Branden Kawazoe from two individuals.

Upon review of the testimony, your Committee finds that Mr. Kawazoe is presently a School Counselor and Head Varsity Boys Basketball Coach at Kaiser High School. He has served as the Summer Camp Director at Assets School since 2012, where he was also a physical education teacher from 2010 to 2012, and has extensive experience coaching boy's and men's basketball at many levels, including Neal Armstrong Middle School, Iolani High School, and Pacific University. In his personal statement, Mr. Kawazoe indicated that he is passionate about the education system in Hawai'i and advocates for having highly trained and effective teachers, counselors, and librarians in the education setting. Your Committee therefore finds that Mr. Kawazoe's experience working closely with students through coaching and school counseling, as well as his passion for education, will be great assets to the Hawai'i Teacher Standards Board.

As affirmed by the records of votes of the members of your Committee on Education that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Espero).

SCRep. 3764 Education on Gov. Msg. No. 660

Recommending that the Senate advise and consent to the nomination of the following:

EDUCATION COMMISSION OF THE STATES

G.M. No. 660 ALAN OSHIMA, for a term to expire 06-30-2022

Your Committee has reviewed the personal history, resume, and statement submitted by Alan Oshima for service on the Education Commission of the States.

Your Committee received testimony in support of the nomination for the appointment of Alan Oshima from four individuals.

Upon review of the testimony, your Committee finds that Mr. Oshima is the President and Chief Executive Officer of the Hawaiian Electric Company. His professional work experience as an attorney, executive, and administrative professional within the electric, telecommunications, and transportation industry has garnered Mr. Oshima national recognition in the field of public utilities. Mr. Oshima has an extensive history of service with organizations and bodies devoted to the benefit of Hawaii's public schools and students, including Hawaii 3R's, Hawaii Institute of Public Affairs, and the Governor's Every Student Succeeds Act Team. In his personal statement, Mr. Oshima indicated that as a commissioner, he was able to share what he learned about other states' programs on early childhood development with the state executive branch and public school administrators and hopes to further share the Education Commission of the States benefits, data, and reports with the Hawaii education community. Your Committee therefore finds that Mr. Oshima's professional background, as well as his dedication and commitment to the interests of Hawaii's public school students, will be great assets to the Education Commission of the States.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Espero).

SCRep. 3765 Public Safety, Intergovernmental, and Military Affairs on Gov. Msg. No. 564

Recommending that the Senate advise and consent to the nomination of the following:

COMPACT ADMINISTRATOR FOR THE STATE COUNCIL FOR THE INTERSTATE JUVENILE SUPERVISION

G.M. No. 564 NATHAN FOO, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Nathan Foo for service as the Compact Administrator for the State Council for Interstate Juvenile Supervision.

Your Committee received testimony in support of the nomination for the appointment of Nathan Foo from the Judiciary, State of Hawai'i.

Upon review of the testimony, your Committee finds that Mr. Foo's experience and commitment to public service qualify him for appointment as Compact Administrator for the State Council for Interstate Juvenile Supervision. Your Committee notes that Mr. Foo has extensive experience of more than thirty years working as a social services manager, supervisor, court officer, and probation officer for the State's family court. Through that work, Mr. Foo has counseled, managed, and supervised many juveniles that were processed through the court system. Mr. Foo is currently the Social Services Manager for the Juvenile Client Services Branch of the Family Court of the First Circuit, where he oversees juvenile services, and for the past year has served as the Compact Administrator of the State Council for the Interstate Compact for Juveniles. Prior to his work in family court, Mr. Foo was a social worker in the Protective Services Intake Unit of the Department of Human Services' Child Protective Services. As a social worker, Mr. Foo provided counseling and support to minors in difficult family situations and victims of child abuse. Your Committee finds that Mr. Foo's vast experiences working with juveniles and his prior experience make him well-suited to serve as Compact Administrator for the State Council for Interstate Juvenile Supervision.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3766 Public Safety, Intergovernmental, and Military Affairs on Gov. Msg. No. 565

Recommending that the Senate advise and consent to the nomination of the following:

COMPACT ADMINISTRATOR FOR THE STATE COUNCIL FOR INTERSTATE ADULT OFFENDER SUPERVISION

G.M. No. 565 DWIGHT SAKAI, for a term to expire 02-12-2022

Your Committee reviewed the personal history, resume, and statement submitted by Dwight Sakai for service as the Compact Administrator for the State Council for Interstate Adult Offender Supervision.

Your Committee received testimony in support of the nomination for the appointment of Dwight Sakai from the Judiciary, State of Hawai'i and three individuals.

Upon review of the testimony, your Committee finds that Mr. Sakai's experience, background, and commitment to public service qualify him for nomination as the Compact Administrator for the State Council for Interstate Adult Offender Supervision. Your Committee notes that Mr. Sakai is the Social Services Manager for the Adult Client Services Branch of the First Circuit Court, which serves the Family, District, and Circuit Court's Criminal Division of the First Circuit by providing criminal investigations, offender

supervision, driver education, community service placement, and temporary restraining order preparation for domestic violence cases, among other services. In addition, Mr. Sakai has an extensive history as a social worker, serving as a probation officer and supervisor and as a worker in the Volunteer Guardian Ad Litem Program. Moreover, Mr. Sakai is a proud graduate of the University of Hawaii at West Oahu with a bachelor of arts in social sciences, specializing in psychology. Based on his experiences and lifelong dedication to public service, your Committee finds that Mr. Sakai would be a great asset as Compact Administrator for the State Council for Interstate Adult Offender Supervision.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3767 Public Safety, Intergovernmental, and Military Affairs on Gov. Msg. No. 642

Recommending that the Senate advise and consent to the nomination of the following:

CRIME VICTIM COMPENSATION COMMISSION

G.M. No. 642 MARTHA ROSS, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Martha Ross for service on the Crime Victim Compensation Commission.

Your Committee received testimony in support of the nomination for the reappointment of Martha Ross from the Crime Victim Compensation Commission, Sex Abuse Treatment Center, and eleven individuals.

Upon review of the testimony, your Committee finds that Ms. Ross's knowledge and prior experience qualify her for reappointment to the Crime Victim Compensation Commission. Your Committee notes that Ms. Ross has a proven record of dedication and hard work as a member of the Crime Victim Compensation Commission over the past several years. In addition, Ms. Ross is a licensed social worker who has demonstrated a commitment to the community and a deep understanding of victim advocacy with over thirty years of professional experience. She spent seventeen years at the Office of Hawaiian Affairs where she held various positions, including Deputy Administrator of Programs; Director of Planning, Research, and Evaluation; and Special Assistant to the Chief Executive Officer. Ms. Ross also worked as an Advocate and Counselor to victims and witnesses of violent crimes and established and coordinated the Victim-Witness Assistance Volunteer Program at the Department of the Prosecuting Attorney of the City and County of Honolulu. She is the Co-Founder of the Violence Prevention Consortium, a collaboration of individuals, agencies, and organizations that aim to prevent violence in homes, schools, and communities. Accordingly, your Committee finds that Ms. Ross's previous work as member of the Commission, professional background and knowledge, as well as her continuing commitment to the community and victims of crimes, will continue to be an asset to the Crime Victim Compensation Commission.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3768 Public Safety, Intergovernmental, and Military Affairs on Gov. Msg. No. 665

Recommending that the Senate advise and consent to the nomination of the following:

ADVISORY BOARD ON VETERANS' SERVICES

G.M. No. 665 JAMES TRAXLER, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by James Traxler for service on the Advisory Board on Veterans' Services.

Your Committee received testimony in support of the nomination for the reappointment of James Traxler from the Office of Veterans' Services and seven individuals.

Upon review of the testimony, your Committee finds that Mr. Traxler's knowledge and prior experience qualify him for reappointment to the Advisory Board on Veterans' Services. Your Committee notes that through his previous service on the Advisory Board on Veterans' Services, Mr. Traxler has proven to be a dedicated and hard-working member of the Board. In addition, your Committee notes that Mr. Traxler served many years with the United States Army Corps of Engineers before retiring. Following his retirement, Mr. Traxler served as the Public Works Director for Santa Fe County in New Mexico and was the sole owner of Wildcat Sewing and Sunscreens. Currently, Mr. Traxler is active in the community and lends his expertise and time to the Big Island Retired Military Association, Veterans of Foreign Wars Post Kona 12122, West Hawaii Veterans Council, and American Legion. Mr. Traxler has received numerous awards and honors, including the Legion of Merit, United States Army Bronze Star, and United States Army Meritorious Service Medal. Your Committee further finds that Mr. Traxler's demonstrated commitment to the Advisory Board on Veterans' Services, his military background, professional experience, and determination will continue to be valuable assets to the Board.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee,

has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3769 Public Safety, Intergovernmental, and Military Affairs on Gov. Msg. No. 666

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF DIRECTORS OF THE PACIFIC INTERNATIONAL SPACE CENTER FOR EXPLORATION SYSTEMS

G.M. No. 666 DENNIS GIBSON, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Dennis Gibson for service on the Board of Directors of the Pacific International Space Center for Exploration Systems.

Your Committee received testimony in support of the nomination for the appointment of Dennis Gibson from two individuals.

Upon review of the testimony, your Committee finds that Mr. Gibson's background and experience qualify him for appointment to the Board of Directors of the Pacific International Space Center for Exploration Systems. Mr. Gibson is the Senior Vice President of Booz Allen Hamilton and is responsible for providing clients with a wide range of services across all of the firm's capabilities including digital technology, cyber, advanced analytics, management consulting, engineering/science, and operations. Mr. Gibson leads the company's business in the Pacific Rim, serving clients and staff in locations throughout the Asia Pacific Region, including Guam, Singapore, Korea, Japan, and Alaska. In addition, Mr. Gibson has extensive military-related experience. He is a military veteran and has previously served as a consultant to the Army Science Board, as a member of the Executive Council of the Armed Forces Communications and Electronics Association International, and on the National Guard Bureau Wargame Team, National Guard Pathways to the Future, and Revolution in Military Affairs. Moreover, Mr. Gibson has demonstrated a continuing commitment to serving Hawaii. He is a member of the Executive Committee and Treasurer of the Hawaii Military Affairs Council. He is also a member of the Hawaii Business Roundtable and currently serves as the Chairman of CyberHawaii. Accordingly, your Committee finds that Mr. Gibson's background in business, technology services, military affairs, and community organizations would make him a great asset to the Board of Directors of the Pacific International Space Center for Exploration Systems.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3770 Public Safety, Intergovernmental, and Military Affairs on Gov. Msg. Nos. 587, 588, and 589

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII ADVISORY COUNCIL ON EMERGENCY MANAGEMENT

G.M. No. 587 RICHARD MINATOYA, for a term to expire 06-30-2022;

G.M. No. 588 GERALD SILVA, for a term to expire 06-30-2018; and

G.M. No. 589 GERALD SILVA, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Richard Minatoya and Gerald Silva for service on the Hawaii Advisory Council on Emergency Management.

RICHARD MINATOYA

Your Committee received testimony in support of the nomination for the reappointment of Richard Minatoya from the Mayor, County of Maui and three individuals.

Upon review of the testimony, your Committee finds that Mr. Minatoya possesses the requisite qualifications to be reappointed to the Hawaii Advisory Council on Emergency Management. Your Committee notes that Mr. Minatoya has served on the Hawaii Advisory Council on Emergency Management for several years and has proven to be a hardworking and contributing member. He is also a Supervising Deputy Prosecuting Attorney for the County of Maui. In his current position as a division head and in his former First Deputy Prosecutor position for the County of Kauai, Mr. Minatoya has completed several Emergency Management Institute and Federal Emergency Management Agency courses. He previously served as a Kauai County Council member, where he chaired the Committee on Public Safety and Services/Intergovernmental Relations, which had jurisdiction over civil defense issues. Your Committee finds that Mr. Minatoya's exemplary service as a member of the Hawaii Advisory Council on Emergency Management, extensive involvement in county government, previous civil defense work, broad legal experience, and commitment to public service will continue to provide a valuable perspective on the Hawaii Advisory Council on Emergency Management.

GERALD SILVA

Your Committee received testimony in support of the nomination for the appointment and reappointment of Gerald Silva from four individuals.

Upon review of the testimony, your Committee finds that Mr. Silva's background, experience, and proven leadership qualify him for appointment and reappointment to the Hawaii Advisory Council on Emergency Management. Your Committee notes that Mr. Silva's

long and distinguished career includes various communications-related positions at the county and state levels, such as serving as the Deputy Director of the Department of Customer Services for the City and County of Honolulu and the Director of Communications and Special Projects for the Hawaii Tourism Authority. Mr. Silva also previously served as a member of the Cable Advisory Committee in 2004, but resigned his membership to take the position of Chief Operating Officer of 'Ōlelo Community Media (formerly 'Ōlelo Community Television), the largest community access television station in the country. As the Chief Operating Officer at 'Ōlelo, Mr. Silva did considerable research into chapter 440G, Hawaii Revised Statutes, which regulates cable communications systems in Hawaii. Mr. Silva was reappointed to the Cable Advisory Committee in 2014 and currently serves as the Committee's Oahu at-large member. Moreover, Mr. Silva has served as the President of AARP Hawaii for the past eight years, offering him a unique perspective on the needs and concerns of older members of the community. Your Committee further finds that Mr. Silva's knowledge as a communications professional would be a valuable asset and therefore recommends that Mr. Silva be reappointed to the Hawaii Advisory Council on Emergency Management based on his experience and dedication to serving his community.

As affirmed by the records of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3771 Public Safety, Intergovernmental, and Military Affairs on Gov. Msg. Nos. 511 and 512

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII AEROSPACE ADVISORY COMMITTEE

G.M. No. 511 BRUCE MATHEWS, for a term to expire 06-30-2021; and

G.M. No. 512 DAVID MA, for a term to expire 06-30-2019

Your Committee reviewed the personal histories, resumes, and statements submitted by Bruce Mathews and David Ma for service on the Hawaii Aerospace Advisory Committee.

BRUCE MATHEWS

Your Committee received testimony in support of the nomination for the appointment of Bruce Mathews from one individual.

Upon review of the testimony, your Committee finds that Dr. Mathews' background, experience, and proven leadership qualify him for appointment to the Hawaii Aerospace Advisory Committee. Your Committee notes that Dr. Mathews has over thirty years of experience in higher education. During that time, Dr. Mathews has been an exemplary faculty member, served in numerous leadership positions, and received a variety of honors and recognition for his outstanding work. Moreover, Dr. Mathews has an extensive background in research, including multiple international research endeavors in the Philippines and Indonesia. Since 2016, Dr. Mathews has served as the Dean and University of Hawaii at Hilo Research Office Coordinator. In addition, Dr. Mathews has a Ph.D. in agronomy and soils from the University of Florida and received his bachelor's degree from the University of Hawaii at Hilo. Accordingly, your Committee finds that Dr. Mathews' vast educational background and experience and his demonstrated commitments to research and education would be great assets to the Hawaii Aerospace Advisory Committee.

DAVID MA

Your Committee received testimony in support of the nomination for the appointment of David Ma from one individual.

Upon review of the testimony, your Committee finds that Dr. Ma's background and experience qualify him for appointment to the Hawaii Aerospace Advisory Committee. Your Committee notes that Dr. Ma has an extensive engineering background. Dr. Ma received his Ph.D. in mechanical engineering and a M.S. in electrical and computer engineering from the University of California Santa Barbara. In addition, Dr. Ma began his professional career as a structural engineer in China and later transitioned into a career as an engineering professor. Since 2017, Dr. Ma has served as the Interim Associate Dean for the College of Engineering at the University of Hawaii at Manoa. Your Committee finds that Dr. Ma's engineering background and expertise and his dedication to higher education would make him a great asset to the Hawaii Aerospace Advisory Committee.

As affirmed by the records of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3772 Hawaiian Affairs on Gov. Msg. No. 671

Recommending that the Senate advise and consent to the nomination of the following:

ISLAND BURIAL COUNCIL, ISLAND OF O'AHU

G.M. No. 671 CHARLES EHRHORN, for a term to expire 06-30-2019

Your Committee reviewed the personal history, resume, and statement submitted by Charles Ehrhorn for service on the Island Burial Council, Island of O'ahu.

Your Committee received testimony in support of the nomination for the appointment of Charles Ehrhorn from the Department of Land and Natural Resources and Office of Hawaiian Affairs.

Upon review of the testimony, your Committee finds that Mr. Ehrhorn's experience as a registered architect, comprehensive background in land and site planning and urban design, and dedication to his community qualify him to be nominated for appointment to the Island Burial Council for the island of O'ahu as a landowner and development representative. Your Committee notes that Mr. Ehrhorn is a resident of Honolulu and has previously served on the Island Burial Council for the island of O'ahu and has also served on various boards, such as the Kahuku Hospital Board of Directors, Kahuku Elderly Housing Project, and Koko Isle Homeowners Association. Mr. Ehrhorn has demonstrated leadership in roles such as the past President and Director of the Honolulu Chapter and Hawaii Council of the American Institute of Architects. He is currently a consultant with C&J Land Planning, LLC, where he provides land and site planning and design for clients such as Avalon Development, James Campbell Company, LLC, and Helbert Hastert and Fee Planners. Your Committee finds that Mr. Ehrhorn's extensive experience in land planning, including background in the care, management, and protection of ancestral Native Hawaiian burial sites, will make him a valuable asset to the Island Burial Council for the island of O'ahu.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Green).

SCRep. 3773 Hawaiian Affairs on Gov. Msg. No. 721

Recommending that the Senate advise and consent to the nomination of the following:

ISLAND BURIAL COUNCIL, ISLANDS OF MAUI AND LANĀ'I

G.M. No. 721 SCOTT FISHER, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Scott Fisher for service on the Island Burial Council, Islands of Maui and Lāna'i.

Your Committee received testimony in support of the nomination for the reappointment of Scott Fisher from the Department of Land and Natural Resources.

Upon review of the testimony, your Committee finds that Mr. Fisher's experience in land conservation, community service, and proven leadership qualify him to be nominated for reappointment to the Island Burial Council of the islands of Maui and Lāna'i. Your Committee notes that Mr. Fisher is a longtime resident of Kula, Maui. Mr. Fisher is a current member and served a previous term as a member and Vice Chair of the Island Burial Council for the islands of Maui and Lāna'i from 2005 to 2013, where he utilized the knowledge of the lands to serve the Council and protect iwi kupuna. He is the Associate Executive Director of Conservation and Maui Island Director for the Hawaiian Islands Land Trust. Mr. Fisher is active in the community having served on the boards of various organizations such as the Maui Historical Society, Maui Conservation Alliance, Maui Nui Resources Council, and the Waihe'e Community Association. Your Committee finds that Mr. Fisher's experience in land conservation and dedication to the community will make him a valuable asset to the Island Burial Council for the islands of Maui and Lāna'i.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Green).

SCRep. 3774 Hawaiian Affairs on Gov. Msg. Nos. 672 and 722

Recommending that the Senate advise and consent to the nominations of the following:

ISLAND BURIAL COUNCIL, ISLAND OF HAWAI'I

G.M. No. 672 ELDON PATE-KAHAKALAU, for a term to expire 06-30-2020; and

G.M. No. 722 KALENA BLAKEMORE, for a term to expire 06-30-2021

Your Committee reviewed the personal histories, resumes, and statements submitted by Eldon Pate-Kahakalau and Kalena Blakemore for service on the Island Burial Council, Island of Hawai'i.

ELDON PATE-KAHAKALAU

Your Committee received testimony in support of the nomination for the appointment of Eldon Pate-Kahakalau from the Department of Land and Natural Resources, Office of Hawaiian Affairs, and one member of the Hawai'i County Council.

Upon review of the testimony, your Committee finds that Mr. Pate-Kahakalau's experience in Hawaiian culture, history, and education and his knowledge in laws relating to the treatment of iwi kupuna qualify him to be appointed to the Island Burial Council for the island of Hawai'i. Your Committee notes that Mr. Pate-Kahakalau is the co-founder and an instructor of Kanu O Ka 'Āina Charter School and has years of experience as an educator of Hawaiian studies. Mr. Pate-Kahakalau is an active participant in community services as a co-founder and leader of two organizations that provide cultural and spiritual immersion experiences to Hawaiian males. Mr. Pate-Kahakalau previously served as a member and Chair of the Island Burial Council for the island of Hawai'i from 1996 to 2004 and again from 2012 to 2017. He has contributed to the community by participating in Waipi'o Valley cultural renewal projects and in 'Aha Kāne and Ho'okuikahi at Pu'ukoholā National Park. Your Committee finds that Mr. Pate-Kahakalau is

dedicated to preserving the Hawaiian language, history, and culture by educating future generations and will be a great asset for the Island Burial Council for the island of Hawai'i.

KALENA BLAKEMORE

Your Committee received testimony in support of the nomination for the appointment of Kalena Blakemore from the Department of Land and Natural Resources and Office of Hawaiian Affairs.

Upon review of the testimony, your Committee finds that Ms. Blakemore's experience in land management and dedication to cultural and natural resources qualify her for appointment to the Island Burial Council for the island of Hawai'i. Your Committee notes that Ms. Blakemore has genealogical ties to Puna ('Ola'a), Hilo (Keaukaha), and Kohala (Kokoiki). Ms. Blakemore previously served on the Island Burial Council for the island of Hawai'i from 2013 to 2017. She is currently a Land Management Specialist at the Office of Hawaiian Affairs where she is responsible for assisting in the development and implementation of a comprehensive management plan for Wao Kele o Puna, including other relevant work with the conservation of lands. Prior to her experience as a Land Management Specialist, Ms. Blakemore worked as an archaeologist in cultural resources management at the Hawai'i Volcanoes National Park. During her time at the Hawai'i Volcanoes National Park, Ms. Blakemore identified inadvertent burials and implemented protective protocols, inventoried caves, and monitored compliance with sections 110 and 106 of the National Historic Preservation Act. Your Committee finds that Ms. Blakemore's experience with land preservation and conservation and dealing with burial sites will make her a great addition to the Island Burial Council for the island of Hawai'i.

As affirmed by the records of votes of the members of your Committee on Hawaiian Affairs that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Green).

SCRep. 3775 Hawaiian Affairs on Gov. Msg. Nos. 723 and 740

Recommending that the Senate advise and consent to the nominations of the following:

HAWAIIAN HOMES COMMISSION

G.M. No. 723 ZACHARY HELM, for a term to expire 06-30-2020; and

G.M. No. 740 DAVID KAAPU, for a term to expire 06-30-2021

Your Committee reviewed the personal histories, resumes, and statements submitted by Zachary Helm and David Ka'apu for service on the Hawaiian Homes Commission.

ZACHARY HELM

Your Committee received testimony in support of the nomination for the appointment of Zachary Helm from the Department of Hawaiian Home Lands; Ho'omanapono Political Action Committee; Ho'omana Pono, LLC; and one individual.

Upon review of the testimony, your Committee finds Mr. Helm's managerial experience and years of experience in public service qualify him for appointment to the Hawaiian Homes Commission. Your Committee notes that Mr. Helm has thirty years of experience working with the Department of Parks and Recreation for the County of Maui. Mr. Helm served most of his tenure at the Department of Parks and Recreation as the District Supervisor III of the Molokai District, where he was responsible for the operations and maintenance of parks and recreational facilities, equipment, and recreation programs. Mr. Helm has proven his leadership as the Deputy Director for the Department of Parks and Recreation of the County of Maui. He is also active in the community, serving on various boards such as the Kalama'ula Hawaiian Homestead Association, Friendly Isle United Way, Molokai Catholic Community Council, and Molokai Little League Association. Your Committee finds that Mr. Helm's years of experience in the public sector and his familiarity with preparing and maintaining budgets and expenditures will make him an ideal candidate for the Hawaiian Homes Commission.

DAVID KA'APU

Your Committee received testimony in support of the nomination for the reappointment of David Ka'apu from the Department of Hawaiian Home Lands; Ho'omanapono Political Action Committee; Ho'omana Pono, LLC; and one individual.

Upon review of the testimony, your Committee finds that Mr. Ka'apu's background in law and proven experience on the Hawaiian Homes Commission qualify him to be reappointed to the Hawaiian Homes Commission. Your Committee notes that Mr. Ka'apu is an attorney who specializes in quiet title; business law; wills, trusts, and general litigation; and land use. Mr. Ka'apu has been a Commissioner of the Hawaiian Homes Commission for four years, where he utilized his legal knowledge to assist the Commission to make well-informed decisions on various matters. Mr. Ka'apu has also served on a number of boards, such as the Hawaii State Bar Association, Friends of NELHA, Hawaii Community Federal Credit Union, and Agricultural Leadership Foundation of Hawaii. Your Committee finds that Mr. Ka'apu's dedication to the community and background and knowledge in law will make him an asset to the Hawaiian Homes Commission.

As affirmed by the records of votes of the members of your Committee on Hawaiian Affairs that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Green).

SCRep. 3776 Economic Development, Tourism, and Technology on Gov. Msg. Nos. 714, 715, and 716

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE HAWAII TECHNOLOGY DEVELOPMENT CORPORATION

- G.M. No. 714 CREIGHTON ARITA, for a term to expire 06-30-2022 (Commission name amended to Hawaii Technology Development Corporation by GM754);
- G.M. No. 715 MARTIN ZORN, for a term to expire 06-30-2018 (Commission name amended to Hawaii Technology Development Corporation by GM755); and
- G.M. No. 716 MARTIN ZORN, for a term to expire 06-30-2022(Commission name amended to Hawaii Technology Development Corporation by GM756)

Your Committee reviewed the personal histories, resumes, and statements submitted by Creighton Arita and Martin Zorn for service on the Board of Directors of the Hawaii Technology Development Corporation.

CREIGHTON ARITA

Your Committee received testimony in support of the nomination for the appointment of Creighton Arita from the Hawaii Technology Development Corporation.

Mr. Arita is the Chief Executive Officer and founder of 'ike Hawaii, a family of companies in technology and health care, and TeamPraxis, a company that aims to leverage technology to empower independent physicians to improve the quality of patient care while reducing healthcare costs. Mr. Arita has first-hand experience in building a successful technology company in Hawaii and has previously served on the Hawaii Technology Development Corporation Board of Directors, where he utilized his extensive knowledge of technology and technology business administration. Your Committee finds that Mr. Arita's intimate knowledge of the technology sector in Hawaii would make him a valuable member and qualify him to once again serve on the Board of Directors of the Hawaii Technology Development Corporation.

MARTIN ZORN

Your Committee received testimony in support of the nominations for the appointment and reappointment of Martin Zorn from the Hawaii Technology Development Corporation.

Mr. Zorn is the President and Chief Operating Officer of Kamakura Corporation, a financial risk management software company headquartered in Hawaii. Kamakura Corporation relocated from Japan to Hawaii and is a graduate of the Hawaii Technology Development Corporation incubation program at the Manoa Innovation Center. Mr. Zorn has served on numerous boards throughout his career, giving him the knowledge and experience of acting as an advisor to various organizations. He is active in the community and serves on the Boards of the Arcadia Family of Companies, Hawaii chapter of Financial Executives International, and Food Innovation Center at the University of Hawaii Maui, among other organizations. Your Committee finds that Mr. Zorn's background as a lender, investor, mentor, and coach to technology firms qualify him to be a member of the Board of Directors of the Hawaii Technology Development Corporation.

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, 5. Noes, none. Excused, none.

SCRep. 3777 (Joint) Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on H.C.R. No. 220

The purpose and intent of this measure is to urge the United States Congress and Federal Communications Commission to codify a definition of the "public interest standard" for the broadcasting industry.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities for the Democratic Party of Hawai'i.

Your Committees find that it is important that public airwaves be used to broadcast a broad range of viewpoints for the benefit of all members of the public. Your Committees also find that the Federal Communications Commission, the agency charged with governing communication policy decision-making at the federal level, has long employed the so-called "public interest standard" when regulating the broadcast industry. However, your Committees find that "public interest standard" has never been defined and has resulted in complaints that the Federal Communications Commission has relied on market forces rather than the public interest when regulating broadcasters. Your Committees find that the lack of a clear definition for the "public interest standard" has resulted in declining standards for broadcasters and that codifying a definition of the "public interest standard" would promote fairness and objectivity in broadcasting, which would greatly benefit the public.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 220, and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Espero, Ruderman).

SCRep. 3778 Public Safety, Intergovernmental, and Military Affairs on H.C.R. No. 20

The purpose and intent of this measure is to urge the Mayor of the City and County of Honolulu and the Honolulu City Council to allocate more resources to the Honolulu Police Department, for the purpose of increasing visible police presence in, and active patrols of, Waianae, the North Shore, and the Downtown and Chinatown areas.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities for the Democratic Party of Hawai'i, United Chinese Society of Hawaii, and three individuals.

Your Committee finds that it is essential for government to maintain the safety of residents, business owners, workers, and patrons, as well as to protect their property and possessions and encourage commercial activity. Your Committee also finds that there was an increase in crime, particularly in assaults and thefts, in several areas of Oahu during the last quarter of 2016. Your Committee further finds that increasing the visible presence of uniformed police officers in these areas, namely Waianae, the North Shore of Oahu, Chinatown, and Downtown Honolulu, would improve public safety by deterring criminal activity as well as providing more immediate assistance to victims once a crime has been committed.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 20, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 20, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

SCRep. 3779 Public Safety, Intergovernmental, and Military Affairs on H.C.R. No. 109

The purpose and intent of this measure is to urge the President of the United States and the United States Congress to grant full veterans benefits to Filipino veterans who fought in World War II but were subsequently denied the benefits to which they were entitled.

Your Committee received testimony in support of this measure from the Office of Veterans' Services, Hawai'i Civil Rights Commission, O'ahu County Committee on Legislative Priorities for the Democratic Party of Hawai'i, and one individual.

Your Committee finds that thousands of Filipino men and women risked their lives against the invading and occupying Japanese forces and assisted our nation in its efforts to liberate the Philippines during World War II. Your Committee also finds that those Filipinos who served in the Philippine Commonwealth Army were made eligible for full United States veterans benefits for their active duty service. However, in 1946, by congressional act and upon the granting of full independence to the Philippines, these same Filipino veterans were denied eligibility for United States veterans benefits, including health care, disability pensions, and burial expenses. Your Committee finds that restoring benefits denied to Filipino veterans and fulfilling and expediting any pending claims would honor those Filipino veterans who served with our armed forces so courageously.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 109, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Thielen).

SCRep. 3780 Judiciary on Gov. Msg. No. 720

Recommending that the Senate advise and consent to the nomination of the following:

COMMISSION ON THE STATUS OF WOMEN

G.M. No. 720 CYD HOFFELD, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Cyd Hoffeld for service on the Commission on the Status of Women.

Your Committee received testimony in support of the nomination for the reappointment of Cyd Hoffeld from the Commission on the Status of Women, one member of the Hawai'i County Council, and two individuals.

Upon review of the testimony, your Committee finds that Ms. Hoffeld's extensive experience and institutional knowledge qualify her to be nominated for reappointment to the Commission on the Status of Women. Your Committee notes that Ms. Hoffeld is currently employed as a health promotions manager, in which capacity she promotes, maintains, and improves individual and community health. Ms. Hoffeld has previously worked as an HIV/AIDS/HEP counselor and tester, engaging clients at high risk of HIV/AIDS infection, transmission and re-infection, and as a domestic violence trainer, developing and updating training curriculum and providing trainings on domestic violence for the community and other agencies. Your Committee further notes that Ms. Hoffeld has served her community as chapter historian of the 'Ahaui Ka'ahumanu Society, and was recognized in Hawaii County Women's Hall of Fame as Woman of the Year in 2010. Your Committee finds that Ms. Hoffeld's dedication to public service and superb knowledge of the unique condition and needs of women in Hawaii will continue to be valuable assets to the Commission on the Status of Women.

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. 3781 Judiciary on Gov. Msg. No. 641

Recommending that the Senate advise and consent to the nomination of the following:

KING KAMEHAMEHA CELEBRATION COMMISSION

G.M. No. 641 GEANINE GOMES, for a term to expire 06-30-2020

Your Committee reviewed the personal history, resume, and statement submitted by Geanine Gomes for service on the King Kamehameha Celebration Commission.

Your Committee received testimony in support of the nomination for the appointment of Geanine Gomes from the Department of Accounting and General Services; Ho'omanapono Political Action Committee; Ho'omana Pono, LLC; 'Ahahui Ka'ahumanu; and nine individuals.

Upon review of the testimony, your Committee finds that Ms. Gomes's experience as an educator, history of organizing events and working with entrepreneurs, and keen sense of business and public relations qualify her to be nominated for appointment to the King Kamehameha Celebration Commission. Your Committee notes that Ms. Gomes has been a legislative aide and community liaison assisting constituents with issues between state and city departments since 2011. Your Committee further notes that under section 8-5(2), Hawaii Revised Statutes, the King Kamehameha Celebration Commission is required to have at least one member from the 'Ahahui Ka'ahumanu. Ms. Gomes is a member of this organization, and her appointment fulfills the statutory requirement for representation. Your Committee finds that Ms. Gomes's experience, perspective, and dedication to public service will be valuable assets to the King Kamehameha Celebration 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, 3. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 3782 Judiciary on Gov. Msg. No. 739

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF REGISTRATION OF THE ISLAND OF HAWAI'I

G.M. No. 739 ANDREW CHUN, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Andrew Chun for service on the Board of Registration of the Island of Hawai'i.

Your Committee received testimony in support of the nomination for the reappointment of Andrew Chun from the Chief Election Officer and one member of the County Council of the County of Hawai'i.

Upon review of the testimony, your Committee finds that Mr. Chun's business and management background, experience, and commitment to public service qualify him to be nominated for reappointment to the Board of Registration of the Island of Hawai'i. Your Committee notes that Mr. Chun is currently the senior vice president of administrative services for KTA Super Stores, where he is primarily responsible for the leadership and management of the facility, safety, and security areas of the organization, as well as being responsible for enhancing communications between the various administrative departments and store operations. Your Committee further notes that Mr. Chun was appointed as an interim appointee on August 11, 2011, and served as a Board of Registration member in the 2016 primary and general elections. Your Committee finds that Mr. Chun's managerial expertise and experience in public service will continue to be assets 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, 3. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 3783 Judiciary on Gov. Msg. Nos. 654, 655, 656, 657, 658, and 659

Recommending that the Senate advise and consent to the nominations of the following:

HAWAI'I HISTORIC PLACES REVIEW BOARD

G.M. No. 654 MATTHEW MCDERMOTT, for a term to expire 06-30-2022;

G.M. No. 655 NANCY PEACOCK, for a term to expire 06-30-2021;

G.M. No. 656 PAUL MORGAN, for a term to expire 06-30-2022;

G.M. No. 657 WILLIAM CHAPMAN, for a term to expire 06-30-2022;

G.M. No. 658 PATRICIA GRIFFIN, for a term to expire 06-30-2022; and

G.M. No. 659 ZACHARY BANTOLINA, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Matthew McDermott, Nancy Peacock, Paul Morgan, William Chapman, Patricia Griffin, and Zachary Bantolina for service on the Hawai'i Historic Places Review Board.

MATTHEW MCDERMOTT

Your Committee received testimony in support of the nomination for the reappointment of Matthew McDermott from the Department of Land and Natural Resources.

Upon review of the testimony, your Committee finds that Mr. McDermott's expertise in archaeology and experience in historic preservation qualify him to be nominated for reappointment to the Hawai'i Historic Places Review Board. Your Committee notes that Mr. McDermott currently serves as a member of the Board. Since 2004, Mr. McDermott has worked as a project manager overseeing archaeological projects for Cultural Surveys Hawaii, Inc. He has extensive knowledge of the archaeology of Hawaii, especially in the context of historic preservation. Your Committee finds that Mr. McDermott's extensive experience in the archaeology of Hawaii will continue to be a great asset to the Hawai'i Historic Places Review Board.

NANCY PEACOCK

Your Committee received testimony in support of the nomination for the appointment of Nancy Peacock from the Department of Land and Natural Resources.

Upon review of the testimony, your Committee finds that Ms. Peacock's expertise in architecture and extensive history of involvement in the community qualify her to be nominated for appointment to the Hawai'i Historic Places Review Board. Your Committee notes that Ms. Peacock is a licensed architect in the State of Hawaii and is a member of the American Institute of Architects. In addition, Ms. Peacock is a member of Lambda Alpha Honorary Land Economics Society, and has served as a member of the City and County of Honolulu Department of Land Utilization Design Review Committee. Ms. Peacock also previously served as a member of the Hawai'i Historic Places Review Board. Your Committee finds that Ms. Peacock's professional experience in architecture and dedication to the community will be great assets to the Hawai'i Historic Places Review Board.

PAUL MORGAN

Your Committee received testimony in support of the nomination for the appointment of Paul Morgan from the Department of Land and Natural Resources.

Upon review of the testimony, your Committee finds that Mr. Morgan's professional experience as an architect and knowledge of Hawaii's architectural history qualify him to be nominated for appointment to the Hawai'i Historic Places Review Board. Mr. Morgan has been a principal architect at Suzuki/Morgan Architects since 1991, and many of his projects have included preservation work. Your Committee notes that much of Mr. Morgan's research and many of his presentations have been in the area of Hawaii's architectural history. Your Committee finds that Mr. Morgan's experience in preservation and knowledge of architectural history in Hawaii will be great assets to the Hawai'i Historic Places Review Board.

WILLIAM CHAPMAN

Your Committee received testimony in support of the nomination for the appointment of William Chapman from the Department of Land and Natural Resources.

Upon review of the testimony, your Committee finds that Dr. Chapman's extensive expertise in anthropology and architectural history qualify him to be nominated for appointment to the Hawai'i Historic Places Review Board. Your Committee notes that Dr. Chapman is currently a Professor and Director of the Historic Preservation Graduate Program at the University of Hawaii at Manoa. Dr. Chapman has previously worked as an architectural historian for the Division of Archeology and Historic Preservation at the Virgin Islands Planning Office. Your Committee finds that Dr. Chapman's knowledge of anthropology and experience in preservation and architectural history will be great assets to the Hawai'i Historic Places Review Board.

PATRICIA GRIFFIN

Your Committee received testimony in support of the nomination for the appointment of Patricia Griffin from the Department of Land and Natural Resources.

Upon review of the testimony, your Committee finds that Ms. Griffin's expertise and experience in historic preservation qualify her to be nominated for appointment to the Hawai'i Historic Places Review Board. Your Committee notes that Ms. Griffin has written numerous books and articles stemming from extensive research and recording of Hawaiian history. Ms. Griffin additionally serves on the Kaua'i County Historic Preservation Review Commission, Historic Hawai'i Foundation Awards Committee, and is involved with other projects and commissions. Your Committee finds that Ms. Griffin's in-depth historical knowledge and extensive experience in historical preservation will be great assets to the Hawai'i Historic Places Review Board.

ZACHARY BANTOLINA

Your Committee received testimony in support of the nomination for the reappointment of Zachary Bantolina from the Department of Land and Natural Resources.

Upon review of the testimony, your Committee finds that Dr. Bantolina's expertise in architecture and knowledge of native Hawaiian culture qualify him to be nominated for reappointment to the Hawai'i Historic Places Review Board. Your Committee notes that Dr. Bantolina currently serves as a member of the Board. Dr. Bantolina is a traditional practitioner and member of the Royal Order of Kamehameha, and he has held a number of positions requiring his expertise in native Hawaiian culture. Additionally, Dr. Bantolina earned a doctorate in architecture from the University of Hawaii at Manoa in 2012. Your Committee finds that Dr. Bantolina's architectural knowledge and expertise in native Hawaiian culture will continue to be great assets to the Hawai'i Historic Places Review Board.

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, 3. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 3784 Judiciary on Gov. Msg. Nos. 601, 602, 603, and 604

Recommending that the Senate advise and consent to the nominations of the following:

STATE FOUNDATION ON CULTURE AND THE ARTS COMMISSION

G.M. No. 601 ALLISON WONG, for a term to expire 06-30-2022;

G.M. No. 602 KAREN POLIVKA, for a term to expire 06-30-2022;

G.M. No. 603 SUSAN BROWNE, for a term to expire 06-30-2022; and

G.M. No. 604 JANE CLEMENT, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Allison Wong, Karen Polivka, Susan Browne, and Jane Clement for service on the State Foundation on Culture and the Arts Commission.

ALLISON WONG

Your Committee received testimony in support of the nomination for the appointment of Allison Wong from the Department of Accounting and General Services and State Foundation on Culture and the Arts.

Upon review of the testimony, your Committee finds that Ms. Wong's extensive experience and history of leadership in Hawaii's premier culture and arts institutions qualify her to be nominated for appointment to the State Foundation on Culture and the Arts Commission. Your Committee notes that Ms. Wong has served as the Deputy Director of the Honolulu Museum of Art since 2011, and as the Interim Director of the museum from March 11, 2016, to January 1, 2017. Ms. Wong also has extensive experience as a curator, as a member of various community boards, and in fundraising. Your Committee further notes that Ms. Wong has curated more than ninety-five exhibitions between 1996 and 2007. Your Committee finds that Ms. Wong's leadership experience and institutional expertise will be great assets to the State Foundation on Culture and the Arts Commission.

KAREN POLIVKA

Your Committee received testimony in support of the nomination for the reappointment of Karen Polivka from the Department of Accounting and General Services and State Foundation on Culture and the Arts.

Upon review of the testimony, your Committee finds that Ms. Polivka's expertise in performing arts, knowledge and experience in arts administration, and passion for the arts qualify her to be nominated for reappointment to the State Foundation on Culture and the Arts Commission. Your Committee notes that Ms. Polivka currently serves as the Acting General Director of the Hawaii Opera Theatre and is also extensively involved in various volunteer activities. Your Committee further notes that Ms. Polivka has served on the State Foundation on Culture and the Arts Commission for the past four years and was most recently appointed to serve as chairperson of the planning and budget committee. Your Committee finds that Ms. Polivka's experience and commitment to public service will continue to be great assets to the State Foundation on Culture and the Arts Commission.

SUSAN BROWNE

Your Committee received testimony in support of the nomination for the appointment of Susan Browne from the Department of Accounting and General Services and State Foundation on Culture and the Arts.

Upon review of the testimony, your Committee finds that Ms. Browne's experience and expertise in arts education qualify her to be nominated for appointment to the State Foundation on Culture and the Arts Commission. Your Committee notes that Ms. Browne has worked as a teacher, a lecturer at the University of Hawaii at Manoa, and the Education Director for the Maui Arts and Culture Center, as well as serving on the Hawai'i ARTS FIRST Partnership. Your Committee further notes that section 9-2(b), Hawaii Revised Statutes, requires the Commission to have at least one member who is a resident of the County of Maui. Ms. Browne resides in the County of Maui, and her appointment fulfills the statutory requirement for representation. Your Committee finds that Ms. Browne's expertise and dedication to the promotion of arts education will be great assets to the State Foundation on Culture and the Arts Commission.

JANE CLEMENT

Your Committee received testimony in support of the nomination for the reappointment of Jane Clement from the Department of Accounting and General Services, State Foundation on Culture and the Arts, and one member of the County Council of the County of Hawai'i.

Upon review of the testimony, your Committee finds that Ms. Clement's administrative experience and history of leadership qualify her to be nominated for reappointment to the State Foundation on Culture and the Arts Commission. Your Committee notes that Ms. Clement works as a Community Consultant for Hawaii Electric Light, and that she is active in the Hawai'i island community. Ms. Clement has served on the State Foundation on Culture and the Arts Commission for the past four years and was most recently appointed to serve as chairperson of the grants and programs committee. Your Committee further notes that section 9-2(b), Hawaii Revised Statutes, requires the Commission to have at least one member who is a resident of the County of Hawai'i. Ms. Clement resides in the County of Hawai'i, and her reappointment to the Commission fulfills the statutory requirement for representation. Your Committee finds that Ms. Clement's administrative expertise and dedication to public service will continue to be great assets 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, 3. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 3785 Judiciary on S.R. No. 42

The purpose and intent of this measure is to urge all policymakers and residents of the City and County of Honolulu to support the Wai'anae Sustainable Communities Plan and the preservation of 'Ōhikilolo.

Your Committee received testimony in support of this measure from the Department of Planning and Permitting of the City and County of Honolulu, Ka Lāhui Hawai'i Political Action Committee, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Ho'omanapono Political Action Committee, and thirteen individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that the Wai'anae Coast is a geographical area filled with important cultural and archaeological sites, including 'Ōhikilolo. The Wai'anae Sustainable Communities Plan (Wai'anae SCP) is a long-term policy planning document that is used to guide development in a manner that best serves current and future residents and businesses of the region, while at the same time respecting the area's natural, cultural, and historical resources. Your Committee further finds that 'Ōhikilolo is outside the community growth boundary described in the Wai'anae SCP, and that the Wai'anae SCP calls for preserving all lands north of Kepuhi Point as open space and for preserving and protecting cultural sites and cultural landscapes. Your Committee additionally finds that the Honolulu City Charter mandates that the City's Land Use Ordinance and Capital Improvement Program be consistent with the Wai'anae SCP. This measure recognizes the value of the Wai'anae SCP and the importance of preserving 'Ōhikilolo as a vital part of the cultural and historical heritage 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 concurs with the intent and purpose of S.R. No. 42, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3786 Economic Development, Tourism, and Technology on H.C.R. No. 94

The purpose and intent of this measure is to request the Information Technology Steering Committee to develop, in consultation with relevant state agencies, the State Information Technology Strategic Plan to include data goals and objectives and to consider model legislation from other states and best practices to establish a data strategy for inclusion in the Strategic Plan.

Your Committee received testimony in support of this measure from the Department of Education, Office of Planning, Office of Enterprise Technology Services, Office of Information Practices, Hawaii Government Employees Association, Kupuna Caucus of the Democratic Party of Hawaii, Hawaii Advocates for Consumer Rights, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawai'i Pacific Health, Transform Hawai'i Government, First Hawaiian Bank, Hawai'i Alliance of Nonprofit Organizations, and two individuals.

Your Committee finds that other states in the United States have adopted open data driven policies that require government agencies to collect and publish data, and promote data collection and sharing in the private sector. Your Committee further finds that committing the State to transforming information technology through a strategic plan will improve the government's ability to better serve the people of Hawaii and local businesses. Your Committee notes that while progress has been made with the establishment of a Chief Information Officer, no long-term strategic plan has been officially adopted. Your Committee further notes that unlike many other states, Hawaii does not have a full-time Chief Data Officer and a large portion of the State's data remain decentralized, ultimately limiting the opportunities to integrate information technology and data across the State. Your Committee believes that the creation of a long-term strategic information technology plan will improve the delivery of programs and services; maximize accountability, efficiency, and transparency; and secure and protect the data of Hawaii's residents.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development, Tourism, and Technology that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 94, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 94, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3787 (Joint) Government Operations and Ways and Means on H.C.R. No. 28

The purpose and intent of this measure is to urge the State Capitol Management Committee to consider security improvements for the State Capitol.

Your Committees received testimony in support of this measure from the Department of Public Safety and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i. Your Committees received testimony in opposition to this measure from the Ho'omanapono Political Action Committee. Your Committees received comments on this measure from the Department of Accounting and General Services and one individual.

Your Committees find that ensuring protection for lawmakers and members of the public while at the State Capitol is critical in maintaining a strong relationship between the public and its elected officials. Your Committees also find that some elements of

security at the Capitol are lacking and could benefit from improvements. Specifically, the Capitol building does not include metal detectors or controlled access points to deter weapons and other contraband, nor does the Capitol building include adequate security measures to prevent unauthorized vehicles from entering the Capitol grounds or the rotunda. Accordingly, your Committees find that there is a need to improve security at the State Capitol building to better ensure public safety for lawmakers, staff, and the visiting public.

However, your Committees recognize that the State Capitol building is unique in its commitment to openness and accessibility to the people of Hawaii and visitors from around the world. Accordingly, your Committees want to ensure that any additional, necessary security measures do not take away from the Capitol's unique character or unnecessarily diminish the public's ability to access the building and the lawmakers therein.

In addition, your Committees are concerned about the State continuing to invest resources in Capitol security without a clear plan for how those resources will be used. Your Committees note that in the past significant funds have been spent on security measures that have proven inadequate or in some cases gone unused. Therefore, your Committees find that it is necessary for the State Capitol Management Committee to work with other appropriate agencies and departments to develop a comprehensive security plan for the State Capitol along with a budget detailing the funds necessary for implementing and maintaining the comprehensive plan.

Accordingly, your Committees have amended this measure by:

- (1) Removing all references to barriers and fencing;
- (2) Removing unnecessary language relating to visitors to the State Capitol;
- (3) Removing all references to the United States Department of Homeland Security and Secretary of Homeland Security;
- (4) Clarifying the security improvements to be considered by the State Capitol Management Committee and specifying that the improvements considered should not diminish the Capitol building's unique and valued tradition of being open, welcoming, and accessible to the people of Hawaii and visitors from around the world;
- (5) Requesting that the State Capitol Management Committee include in its report to the Legislature a comprehensive security plan for the State Capitol and a budget detailing funds necessary for implementing and maintaining the proposed security plan; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Ways and Means that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 28, H.D. 1, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 28, H.D. 1, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Government Operations: Ayes, 4. Noes, none. Excused, 1 (Galuteria).

Ways and Means: Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Kidani).

SCRep. 3788 Education on H.C.R. No. 236

The purpose and intent of this measure is to request that the Department of Education design and implement a curriculum in Hawaii public schools that teaches students to perform cardiopulmonary resuscitation and to identify symptoms of a stroke.

Your Committee received testimony in support of this measure from The Queen's Health Systems, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and four individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that every year, Hawaii emergency medical services teams treat nearly one thousand one hundred cases of out-of-hospital cardiac arrest, with only nine percent of these victims surviving. However, studies have found that adults suffering from an out-of-hospital cardiac arrest who received cardiopulmonary resuscitation from a bystander were more likely to survive than those who did not receive any type of cardiopulmonary resuscitation. Furthermore, thirty-nine states and the District of Columbia have passed legislation requiring cardiopulmonary resuscitation training as a high school graduation requirement and at least seventy-five percent of public high school students in the United States that are graduating this year will have learned lifesaving cardiopulmonary resuscitation in their schools.

Your Committee further finds that strokes are the fifth-leading cause of death in the United States and a major cause of severe, lifelong disability. Therefore, learning the warning signs of a stroke is essential to minimizing the consequences of this potentially life-threatening event.

This measure requests that the Department of Education provide students with these life saving skills as part of their high school education.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 236, H.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

SCRep. 3789 Ways and Means on H.C.R. No. 166

The purpose and intent of this measure is to support the final transfer of the operation and lands of the Waialeale Livestock Experiment Station from the University of Hawaii to the Agribusiness Development Corporation.

Your Committee received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; University of Hawaii System; and Oahu County Committee on the Legislative Priorities of the Democratic Party of Hawaii.

Your Committee finds that supporting the final transfer of the operation and lands of the Waialeale Livestock Experiment Station to the Agribusiness Development Corporation will assist the agency in implementing its mandate to advance diversified agriculture in the State.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 166, H.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Kahele).

SCRep. 3790 Commerce, Consumer Protection, and Health on H.C.R. No. 95

The purpose and intent of this measure is to request the Hawaii Health Systems Corporation Oahu Regional Board to assess the availability of long-term care beds in the City and County of Honolulu and develop recommendations regarding the closure of Leahi Hospital, Maluhia Long-Term Care Health Center, or both.

Your Committee received testimony in support of this measure from the Kupuna Caucus of the Democratic Party of Hawai'i and Hawaii Advocates For Consumer Rights. Your Committee received testimony in opposition to this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, UPW/AFSCME Local 646 AFL-CIO, and two individuals. Your Committee received comments on this measure from the Hawai'i Government Employees Association and one individual.

Your Committee finds that the Hawaii Health Systems Corporation provides long-term care services on Oahu through Leahi Hospital and Maluhia Long-Term Care Health Center. Your Committee further finds that long-term care facilities relieve financial and capacity pressures on acute care facilities and that acute care facilities often have waitlists of patients who have recovered sufficiently to no longer need the acute level of care that a hospital provides but for whom a long-term care bed is unavailable. Your Committee further finds that the need for long-term care services is likely to grow as Hawaii's population continues to age. Your Committee also finds that closing long-term care facilities will only worsen this problem, and that the availability of long-term care facilities should be studied throughout the State.

Your Committee has amended this measure by:

- (1) Expanding its focus to include long-term care facilities on East Hawaii, West Hawaii, and Kauai;
- (2) Removing the request for the Oahu Regional Board to develop recommendations regarding potential closures of Leahi Hospital and Maluhia Long-Term Care Health Center;
- (3) Including additional information about the effect of waitlists for long-term care beds on acute care facilities, reimbursement rates for long-term care patients, and past studies done on waitlists;
- (4) Requesting the Oahu, East Hawaii, West Hawaii, and Kauai Regional Boards to assess their needs for long-term care placements and the effect of the availability of long-term care beds on wait times for acute care beds, and develop recommendations regarding the effect of the availability of long-term care beds on wait times for acute care beds;
- (5) Amending its title in accordance with its amended purpose; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 95, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 95, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chang, Espero, Ruderman).

SCRep. 3791 Commerce, Consumer Protection, and Health on H.C.R. No. 140

The purpose and intent of this measure is to designate the first week of December as Cancer Screen Week and encourage citizens of Hawaii to seek appropriate cancer screenings.

Your Committee received testimony in support of this measure from the Department of Health, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawai'i Primary Care Association, American Cancer Society Cancer Action Network, and four individuals.

Your Committee finds that regular screenings increase the probability of early detection of certain cancers, and early detection can save lives by providing the opportunity for treatment at earlier stages, when treatment is more effective and less costly. However, current cancer screening rates in Hawaii remain below the nationally recommended Healthy People 2020 targets. Your Committee finds that a public initiative such as Cancer Screen Week will raise awareness and encourage Hawaii residents to get recommended screenings.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 140, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chang, Espero, Ruderman).

SCRep. 3792 (Joint) Water and Land and Commerce, Consumer Protection, and Health on H.C.R. No. 86

The purpose and intent of this measure is to:

- (1) Request the Department of Health to convene a task force to identify barriers and solutions to expanded water reuse in the State; and
- (2) Request the task force to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature prior to the Regular Session of 2019.

Your Committees received testimony in support of this measure from the Department of Health, Board of Water Supply of the City and County of Honolulu, Department of Environmental Management of the County of Hawai'i, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Ulupono Initiative, Wai Maoli: Hawai'i Fresh Water Initiative, Hawai'i Community Foundation, and one individual.

Your Committees find that Hawai'i has been blessed with consistent rainfall, advantageous geology for aquifers, and high quality drinking water stores, but recent findings raise concerns about the long-term fresh water security for the State. Studies have documented troubling trends, including reduced rainfall, higher evaporation rates, and declining stream flows. Along with a projected population rise, these troubling trends generate a sense of uncertainty and urgency to safeguard the State's future water supply, and suggest that Hawai'i is entering an era of fresh water uncertainty. Increasing the amount of water reuse in the State will alleviate pressure on fresh drinking water supplies. This measure builds upon the work of Wai Maoli: Hawai'i Fresh Water Initiative, organized by the Hawai'i Community Foundation, and emphasizes that water reuse initiatives are applicable and relevant to the entire State.

Your Committees have amended this measure by:

- (1) Adding language that defines water reuse;
- (2) Adding language to emphasize that water reuse initiatives are applicable and relevant to the entire State;
- (3) Adding the Chairperson of the Board of Land and Natural Resources, a member of the Commission on Water Resource Management other than the Chairperson of the Board of Land and Natural Resources, the Chairperson of the Board of Agriculture, and a representative from a public agency with permitting or implementation authority over wastewater as members of the task force;
- (4) Adding the Chairperson of the Board of Land and Natural Resources and Chairperson of the Board of Agriculture to the list of recipients who are to receive a certified copy; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 86, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 86, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Water and Land: Ayes, 3. Noes, none. Excused, 2 (Inouye, Thielen).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Chang, Espero, Ruderman).

SCRep. 3793 (Joint) Transportation and Energy and Ways and Means on H.C.R. No. 96

The purpose and intent of this measure is to keep the State's roadways clean by urging the Department of Transportation to engage in public education and outreach to reduce litter, promote participation in the Adopt-a-Highway program, and expand the Adopt-a-Highway program to county roads.

Your Committees received testimony in support of this measure from the Department of Transportation and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committees find that litter on the State's roadways not only destroy the natural beauty of the State, but also damages the environment. However, cleaning up the litter is expensive - the Department of Transportation spends over \$2 million a year on picking up litter. Your Committees further find that the Adopt-A-Highway program allows community groups and businesses to "adopt" a two mile portion of a state road or highway for at least two years, which the community group or business agrees to clean at least four times a year. This measure encourages public education and greater participation in the Adopt-A-Highway program to help keep the State's roads litter-free.

Your Committees note that some counties in other states run a separate Adopt-a-Road program that is similar to the Adopt-a-Highway program. These Adopt-a-Road programs can have different roadway adoption requirements, and usually do not have oversight from the state's Department of Transportation. This type of county-based program may warrant consideration by the counties to help keep county roadways clean.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Ways and Means that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 96, and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

Ways and Means: Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Harimoto, Kahele).

SCRep. 3794 Hawaiian Affairs on H.C.R. No. 160

The purpose and intent of this measure is to:

- (1) Urge state offices, state education entities, recreational facilities, local media, private schools, the tourism industry and other businesses, and the general public to use Hawaiian names as the sole common name of Hawaii's places and geographical features;
- (2) Request that Hawaiian names be included on signage, maps, and promotional materials;
- (3) Encourage retention of the original Hawaiian meaning when translating names into languages other than English or Hawaiian; and
- (4) Encourage proper pronunciation and spelling of places and geographical features in Hawai'i.

Your Committee received testimony in support of this measure from the Department of Education, Office of Hawaiian Affairs, Office of Planning, Hawai'i Tourism Authority, Native Hawaiian Education Council, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and four individuals. Your Committee received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies.

Your Committee finds that the Hawaiian language is the native language of the State and despite this, the Hawaiian language is beginning to lose its prominence throughout the State. Your Committee further finds that the Legislature has a unique duty to preserve Hawaiian history and culture and one means of doing so is through the promotion of the use of the Hawaiian language in government offices. Much of Hawaii's history can be conveyed through the language and in the names of places and the geographical features of the islands. Your Committee notes that Hawaiian place names are often associated with a story or hold a significant cultural meaning to Native Hawaiians. Your Committee believes that the State and counties of Hawaii must lead by example and practice proper usage of the Hawaiian language in order to successfully promote the Hawaiian language to the residents and visitors of Hawaii.

Your Committee has amended this measure by:

- (1) Additionally urging county offices and county educational entities and recreational facilities to use Hawaiian names as the sole common names for places and geographical features in Hawai'i;
- (2) Requesting that street names in all counties also include the Hawaiian place names; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 160, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 160, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Green, Riviere).

SCRep. 3795 Agriculture and Environment on H.C.R. No. 75

The purpose and intent of this measure is to request the Department of Agriculture to establish a Kauai Invasive Species Task Force that will study the issues and impacts of invasive animals in Kauai and recommend a comprehensive plan that addresses those issues.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and one individual. Your Committee received testimony in opposition to this measure from Animal Rights Hawai'i. Your Committee received comments on this measure from the Department of Agriculture, Department of Land and Natural Resources, and Hawai'i Farm Bureau.

Your Committee finds that the introduction of invasive species across the State is problematic for not only agriculture but also for human health, tourism, watersheds, marine resources, and native species. Addressing invasive species is a complex task due to the great range of destructive animals present in Hawaii, including feral goats, pigs, deer, wild birds, rats, mollusks, mosquitos, mongoose, fire ants, beetles, and other freshwater and marine species. Your Committee further finds that farmers who experience crop damage from non-native animals on private property may engage in the Department of Land and Natural Resources' process to obtain wildlife control permits. Under chapter 124-7, Hawaii Administrative Rules, permits may be issued for the control of game birds, game mammals, introduced wildlife, and introduced wild birds causing damage to agricultural crops. Your Committee finds that as an alternative to creating a formal task force, the Department of Agriculture, Department of Land and Natural Resources, Kauai Hunting Association, and Kauai County Farm Bureau should work together to issue control permits where needed and make recommendations to address other invasive animal issues.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have requested the Department of Agriculture to establish a Kauai Invasive Species Task Force and submit a report to the Legislature, and replacing it with language urging state agencies to collaborate with farmers and other landowners and requesting the Department of Agriculture, Department of Land and Natural Resources, Kauai Hunting Association, and Kauai County Farm Bureau, and others chosen by the four entities, to collaborate to recommend solutions to mitigate the impacts of invasive animals in Kauai;
- (2) Requesting that the collaborators respond to requests from anyone on Kauai who is impacted by invasive animals;
- (3) Requesting that the collaborators develop strategies to issue appropriate wildlife control permits or conduct other strategic population management utilizing expertise of local hunters;
- (4) Including findings that the Department of Land and Natural Resources has a permit process for the control of nuisance animals;
- (5) Amending the title to reflect the amended purpose; and

- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 75, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 75, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 3796 Higher Education on Gov. Msg. Nos. 543, 544, 645, 646, and 647

Recommending that the Senate advise and consent to the nominations of the following:

CENTER FOR NURSING ADVISORY BOARD

- G.M. No. 543 KECIA KELLY, for a term to expire 06-30-2021;
G.M. No. 544 ANNE SCHARNHORST, for a term to expire 06-30-2021;
G.M. No. 645 SUSAN LEE, for a term to expire 06-30-2022;
G.M. No. 646 ELIZABETH HOBAN, for a term to expire 06-30-2022; and
G.M. No. 647 ROSE HATA, for a term to expire 06-30-2020

Your Committee reviewed the personal histories, resumes, and statements submitted by Kecia Kelly, Anne Scharnhorst, Susan Lee, Elizabeth Hoban, and Rose Hata for service on the Center for Nursing Advisory Board.

KECIA KELLY

Your Committee received testimony in support of the nomination for the appointment of Kecia Kelly from two individuals.

Upon review of the testimony, your Committee finds that Dr. Kelly is presently the Chief Nurse Executive at Kaiser Permanente Hawaii's Moanalua Medical Center and has previous work experience in the Hospital Corporation of America's Chief Nursing Officer Development Program, where she served as an Associate Chief Nursing Officer at Presbyterian St. Luke's Medical Center, Rocky Mountain Hospital for Children, and Sky Ridge Medical Center. According to the testimony, Dr. Kelly is a strong leader who is dedicated to mentoring emerging leaders, identifying opportunities for improvement and establishing achievable action plans, and expanding community partnerships to achieve shared improvements and gains. Additionally, Dr. Kelly is incredibly knowledgeable and capable of understanding the larger issues facing the nursing practice. Your Committee therefore finds that Dr. Kelly's professional experience in a variety of health care settings, as well as her strategic leadership abilities, will be great assets to the Center for Nursing Advisory Board.

ANNE SCHARNHORST

Your Committee received testimony in support of the nomination for the appointment of Anne Scharnhorst from three individuals.

Upon review of the testimony, your Committee finds that Ms. Scharnhorst is presently the Allied Health Department Chair and an Associate Professor at the University of Hawaii Maui College and has previous work experience as a Clinical Process Analyst, Staff Registered Nurse, and Admission Nurse at the University of Washington Medical Center. According to the testimony, Ms. Scharnhorst is a strong leader in nursing academia and the Maui nursing community, as she has partnered with the Hawaii State Center for Nursing on local, state, and national initiatives. In her personal statement, Ms. Scharnhorst indicated that she supports the advancement of nurses in their career paths through education and mentoring to help address the succession planning for the upcoming waves of retirement in the nursing field. Your Committee therefore finds that Ms. Scharnhorst's extensive professional experience in the field of nursing, as well as her willingness to serve, will be great assets to the Center for Nursing Advisory Board.

SUSAN LEE

Your Committee received testimony in support of the nomination for the reappointment of Susan Lee from one individual.

Upon review of the testimony, your Committee finds that Ms. Lee served as a registered nurse and Director of the Oahu Region Employee Health Office with Leahi Hospital for over fourteen years. Ms. Lee has also previously served as the Oahu Region Coordinator of the Rural Development Fund Grant with the Hawaii Health Systems Corporation and a registered nurse at St. Francis Home Care Services. According to the testimony, Ms. Lee has been a strong community advocate for ensuring awareness of new nursing competency activities requirements. Such advocacy reinforces the value and impacts of lifelong learning on her own nursing practice. In her personal statement, Ms. Lee indicated that one of her passions is encouraging the gratification of lifelong learning for relicensure to nurses throughout the State. Your Committee therefore finds that Ms. Lee's dedication to serving the public, as well as her experience in the field of nursing, will continue to be great assets to the Center for Nursing Advisory Board.

ELIZABETH HOBAN

Your Committee received testimony in support of the nomination for the reappointment of Elizabeth Hoban from the Healthcare Association of Hawaii and three individuals.

Upon review of the testimony, your Committee finds that Ms. Hoban is presently the Founder, President, and Chief Operating Officer for Prime Care Services Hawaii and has previous work experience as a staff nurse, educator, Clinical Nurse III, and Nurse Manager at The Queen's Medical Center. According to the testimony, Ms. Hoban has demonstrated a long-term commitment to improving the health and well-being of people in Hawaii throughout her career. In her personal statement, Ms. Hoban indicated that because she believes that health care is moving toward post-acute settings in the community, it is important to share her experiences with the Center for Nursing Advisory Board to raise awareness on including home health care nurses in the workforce. Your

Committee therefore finds that Ms. Hoban's extensive professional experience, as well as her dedication to public service, will continue to be great assets to the Center for Nursing Advisory Board.

ROSE HATA

Your Committee received testimony in support of the nomination for the appointment of Rose Hata from six individuals.

Upon review of the testimony, your Committee finds that Ms. Hata is presently the Director of the Queen Emma Nursing Institute at The Queen's Medical Center and has previous work experience as an Advanced Practice Registered Nurse and Clinical Nurse Specialist for Patient Care Consulting Services at The Queen's Medical Center. According to the testimony, Ms. Hata has the vision and passion that has helped The Queen's Medical Center successfully develop and expand many significant clinical programs and improvements. In her personal statement, Ms. Hata indicated that she believes that nurses are an integral workforce and key leaders of the rapidly changing health care industry and that it is critical to build a workforce that is resilient and adaptable, while also sustaining passion and excellence. Your Committee therefore finds that Ms. Hata's demonstrated leadership skills, as well as her dedication and passion to the field of nursing, will be great assets to the Center for Nursing Advisory Board.

As affirmed by the records of votes of the members of your Committee on Higher Education that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Kim).

SCRep. 3797 Higher Education on Gov. Msg. Nos. 545, 546, and 572

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII MEDICAL EDUCATION COUNCIL

G.M. No. 545 LISA RANTZ, for a term to expire 06-30-2021;

G.M. No. 546 WILLIAM DUBBS, for a term to expire 06-30-2019; and

G.M. No. 572 TODD SETO, for a term to expire 06-30-2019

Your Committee reviewed the personal histories, resumes, and statements submitted by Lisa Rantz, William Dubbs, and Todd Seto for service on the Hawaii Medical Education Council.

LISA RANTZ

Your Committee received testimony in support of the nomination for the appointment of Lisa Rantz from one member of the Hawaii County Council and nine individuals.

Upon review of the testimony, your Committee finds that Ms. Rantz is presently the Executive Director for the Hilo Medical Center Foundation and has previous work experience as the Director of Achievement for Catapult Learning and Executive Director of the Friendly Community Outreach Center. According to the testimony, Ms. Rantz has successfully obtained and managed over \$5,000,000 in grants that support educational opportunities for socioeconomically disadvantaged students and their families in rural Hawaii. In her personal statement, Ms. Rantz indicated that she is interested in promoting graduate medical education and rural health tracks that will promote recruitment and retention of doctors in the State by identifying emerging issues nationwide as they relate to Hawaii and exploring revenue streams to keep graduate medical education programs vibrant and viable. Your Committee therefore finds that Ms. Rantz's wealth of experience and institutional knowledge, as well as her passion for graduate medical education in the State, will be great assets to the Hawaii Medical Education Council.

WILLIAM DUBBS

Your Committee received testimony in support of the nomination for the reappointment of William Dubbs from two individuals.

Upon review of the testimony, your Committee finds that Dr. Dubbs is currently the Chief of Staff at the Veterans Affairs Pacific Island Health Care System and has previous work experience as the Chief of Staff at the Jack C. Montgomery Veterans Affairs Medical Center, Director of the Cookson Hills Rural Health Clinic, and Medical Director at the Cherokee National Indian Clinic. According to the testimony, Dr. Dubbs continues to be highly committed to the care of Hawaii veterans and has been a longstanding partner with the University of Hawaii's John A. Burns School of Medicine. In his personal statement, Dr. Dubbs indicated that he is committed to ensuring that the people of Hawaii have the best medical care possible with adequate access and hopes to see growth in the health care industry through Hawaii's medical school, nursing school, and residency programs. Your Committee therefore finds that Dr. Dubbs' vast experience in medical education, as well as his willingness to serve, will continue to be great assets to the Hawaii Medical Education Council.

TODD SETO

Your Committee received testimony in support of the nomination for the appointment of Todd Seto from three individuals.

Upon review of the testimony, your Committee finds that Dr. Seto is presently the Medical Director of the Center for Outcomes Research and Evaluation and Director of Academic Affairs and Research at The Queen's Medical Center and an attending cardiologist at the Queen Emma Clinics. Dr. Seto has also previously served as the Interim Director for the Office of Research Development, Medical Director for the Clinical Trial Office, and Medical Director for the Non-Invasive Cardiology Laboratory at The Queen's Medical Center. According to the testimony, Dr. Seto's leadership and collaborative nature helps bring together various hospital and physician teams to address challenges. In his personal statement, Dr. Seto indicated that, as a member of the Hawaii Medical Education Council, he hopes to share his perspective as a passionate health care provider and medical educator. Your Committee

therefore finds that Dr. Seto's professional experience in the field of medical education, as well as his dedication to public service, will be great assets to the Hawai'i Medical Education Council.

As affirmed by the records of votes of the members of your Committee on Higher Education that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Kim).

SCRep. 3798 Agriculture and Environment on Gov. Msg. Nos. 684 and 691

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE AGRIBUSINESS DEVELOPMENT CORPORATION

G.M. No. 684 MARGARITA HOPKINS, for a term to expire 06-30-2022; and

G.M. No. 691 YUKIO KITAGAWA, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Margarita Hopkins and Yukio Kitagawa for service on the Board of Directors of the Agribusiness Development Corporation.

MARGARITA HOPKINS

Your Committee received testimony in support of the nomination for the reappointment of Margarita Hopkins from the Agribusiness Development Corporation, Department of Agriculture, Hawai'i Farm Bureau, Hawaii Fish Company Inc., Hawaii Tropical Fruit Growers, Hawaii Coffee Association, one councilmember of the County of Hawaii, and forty-five individuals.

Upon review of the testimony, your Committee finds that Ms. Hopkins' background, knowledge, and experience in agricultural development and as an agricultural economist qualify her for reappointment to the Board of Directors of the Agribusiness Development Corporation as a member representing the County of Hawaii. Ms. Hopkins recently worked as a lecturer at the College of Business and Economics and College of Agriculture, Forestry, & Natural Resources Management at the University of Hawaii at Hilo. Previously she worked as the Agriculture Disaster Assistance Coordinator assisting recovery efforts for the agriculture industry negatively affected by Hurricane Iselle. She has also worked for the County of Hawaii Department of Research and Development preparing and updating the county agricultural development plan. Ms. Hopkins also serves on numerous community boards and councils including the Diocesan Planning & Building Commission, Pacific West Area Institutional Biosafety Committee, and Big Island Resource Conservation & Development Council. She has served as a member of the Board of Directors of the Agribusiness Development Corporation since 2014. Your Committee finds that Ms. Hopkins brings to the Corporation extensive expertise in agricultural economics to assist the Corporation in meeting the current and future needs of Hawaii's agricultural sector.

YUKIO KITAGAWA

Your Committee received testimony in support of the nomination for the reappointment of Yukio Kitagawa from the Department of Agriculture, Agribusiness Development Corporation, Hawai'i Farm Bureau, Ulupono Initiative, Hawaii Fish Company Inc., Hawaii Coffee Association, and thirty-nine individuals.

Upon review of the testimony, your Committee finds that Mr. Kitagawa's experience in agriculture, background, and knowledge qualify him for reappointment to the Board of Directors of the Agribusiness Development Corporation as an at-large member. Mr. Kitagawa formerly served as the Chairperson of the Board of Agriculture from 1988 through 1994. He also previously served as Assistant Director of the University of Hawaii College of Tropical Agriculture and Human Resources Cooperative Extension Service and as Deputy Chairperson of the Board of Agriculture. Mr. Kitagawa currently serves on a number of community boards including the Hawaii Marketing Alliance, Wahiawa Hongwanji, C & C Agriculture Development Task Force, and Hawaii Agriculture Resource Center. He served as a member of the Board of Directors of the Agribusiness Development Corporation from 1999 to 2002 and again since 2014. Your Committee finds that Mr. Kitagawa brings to the Corporation extensive expertise in public service in the agriculture industry to assist the Corporation in supporting increased agriculture throughout the State.

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, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 3799 Agriculture and Environment on Gov. Msg. No. 685

Recommending that the Senate advise and consent to the nomination of the following:

ADVISORY COMMITTEE ON PESTICIDES

G.M. No. 685 JEFFREY KERMODE, for a term to expire 06-30-2020

Your Committee reviewed the personal history, resume, and statement submitted by Jeffrey Kermode for service on the Advisory Committee on Pesticides.

Your Committee received testimony in support of the nomination for the reappointment of Jeffrey Kermode from the Department of Agriculture; Maui Gold Pineapple Company; Hawaii Farm Bureau; Maui County Farm Bureau; Alexander & Baldwin, Inc.; Ponoholo Ranch Limited; Hawaii Coffee Association; Hawaii Cattlemen's Council, Inc.; and twenty-three individuals.

Upon review of the testimony, your Committee finds that Mr. Kermode's background, knowledge, and experience in environmental-related fields and the sugar industry qualify him for reappointment to the Advisory Committee on Pesticides as a representative of the sugar industry. Mr. Kermode received his Bachelor of Arts degree in Geography with a specialization in Environmental Studies from the University of British Columbia. Mr. Kermode worked in environmental health and safety related fields for over twenty years. As a consultant, his work ranged from performing environmental site assessments to pollution prevention planning. For the past six years, Mr. Kermode has been employed as the Environmental Affairs' Specialist for Hawaiian Commercial & Sugar Company, where he ensures environmental compliance for all aspects of the company's agricultural activities, including pesticide use, storage, and handling. Previously he worked as the Environmental Manager for Maui Land and Pineapple Company, where he also worked on pesticide related issues. Through his work, Mr. Kermode has developed a deep appreciation for the environment and agriculture in Hawaii. He served on the Advisory Committee on Pesticides from July of 2012 to June of 2016. Mr. Kermode brings to the Committee unique qualifications to assess the potential impact of proposed regulations on farming interests and to also ensure that proposed regulations are protective of human health and the environment.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3800 Agriculture and Environment on Gov. Msg. No. 699

Recommending that the Senate advise and consent to the nomination of the following:

ENDANGERED SPECIES RECOVERY COMMITTEE

G.M. No. 699 KAWIKA WINTER, for a term to expire 06-30-2019

Your Committee reviewed the personal history, resume, and statement submitted by Kawika Winter for service on the Endangered Species Recovery Committee.

Your Committee received testimony in support of the nomination for the appointment of Kawika Winter from the Department of Land and Natural Resources, Office of Hawaiian Affairs, Kauai Endangered Seabird Recovery Project, Kauai Albatross Network, and five individuals.

Upon review of the testimony, your Committee finds that Dr. Winter's background, knowledge, and experience in Hawaiian ethnobotany qualify him for appointment to the Endangered Species Recovery Committee as a representative with a background in native Hawaiian traditional and customary practices. Dr. Winter is currently employed as the Director of the Limahuli Garden and Preserve of the National Tropical Botanical Garden, where he has improved management of the living collection and its interpretation and advanced research initiatives and conservation programs. Dr. Winter has a doctorate degree and master's degree in botany from the University of Hawaii. Dr. Winter also serves on the Senior Management Team of the National Tropical Botanical Garden, Hawai'i Conservation Alliance Steering Committee, and E Alu Pū Network Advisory Council as a representative of Kaua'i. He additionally works as Affiliate Graduate Faculty at the University of Hawaii at Manoa. Your Committee finds that Dr. Winter brings to the Committee extensive expertise in native Hawaiian plants and conservation efforts to assist the Committee in its efforts to recover Hawaii's endangered species.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3801 Agriculture and Environment on Gov. Msg. Nos. 700, 701, 702, and 703

Recommending that the Senate advise and consent to the nominations of the following:

ENVIRONMENTAL COUNCIL

G.M. No. 700 MARY BEGIER, for a term to expire 06-30-2022;

G.M. No. 701 ROBERT PARSONS, for a term to expire 06-30-2022;

G.M. No. 702 NICOLE TUTEUR, for a term to expire 06-30-2022; and

G.M. No. 703 STEPHANIE DUNBAR-CO, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Mary Begier, Robert Parsons, Nicole Tuteur, and Stephanie Dunbar-Co for service on the Environmental Council.

MARY BEGIER

Your Committee received testimony in support of the nomination for the reappointment of Mary Begier from the Environmental Council, Office of Environmental Quality Control, one councilmember of the County of Hawai'i, and one individual.

Upon review of the testimony, your Committee finds that Ms. Begier's experience as a realtor, background, and knowledge qualify her for reappointment to the Environmental Council as a real estate representative. Ms. Begier is currently the principal broker, owner, and realtor of Mary Begier Realty. Ms. Begier belongs to a number of professional organizations, including the Honolulu Board of REALTORS, Hawaii Association of REALTORS, National Association of REALTORS, Hawaii Island REALTORS, Council of

Residential Specialists, and Council of Real Estate Brokerage Managers. Additionally, Ms. Begier serves as a member of the Junior League of Honolulu, Rotary Club of Hilo Bay, and Hawaii Island Chamber of Commerce. Ms. Begier has served as a member of the Environmental Council since 2017. Your Committee finds that Ms. Begier brings to the Council extensive expertise in real estate to assist the Council in balancing development and environmental concerns.

ROBERT PARSONS

Your Committee received testimony in support of the nomination for the reappointment of Robert Parsons from the Environmental Council and Office of Environmental Quality Control.

Upon review of the testimony, your Committee finds that Mr. Parsons' experience in eco-journalism and environmental consulting, background, and knowledge qualify him for reappointment to the Environmental Council as a representative of environmental consulting. Mr. Parsons is currently employed as the Maui County Environmental Coordinator and serves as the county liaison or representative to various conservation and environmental organizations, including Hawaii Green Growth, Maui Conservation Alliance, University of Hawaii Maui College Sustainable Science Management, West Maui Ridge to Reef, East Maui Watershed Protection, Maui Invasive Species Committee, and Maui Nui Marine Resource Council. Mr. Parsons has served on the Environmental Council since 2015. Your Committee finds that Mr. Parsons' community involvement, knowledge, and appreciation for the complexity of natural resource and environmental issues provide him with the expertise necessary to continue to serve on the Environmental Council.

NICOLE TUTEUR

Your Committee received testimony in support of the nomination for the reappointment of Nicole Tuteur from the Environmental Council, Office of Environmental Quality Control, and Office of Hawaiian Affairs.

Upon review of the testimony, your Committee finds that Ms. Tuteur's experience in law, background, and knowledge qualify her for reappointment to the Environmental Council as a representative who is an attorney. Ms. Tuteur is currently employed with Ka Huli Ao Center for Excellence in Native Hawaiian Law, where she co-teaches the Environmental Law Clinic, coordinates the Native Hawaiian Law Training Course for state and county decision-makers, and facilitates community trainings on water law and traditional and customary rights. Ms. Tuteur has served as a member of the Environmental Council since December of 2015. Your Committee finds that Ms. Tuteur's extensive expertise in water rights, climate change issues, and clean energy provide her with qualifications necessary to continue to serve on the Environmental Council.

STEPHANIE DUNBAR-CO

Your Committee received testimony in support of the nomination for the reappointment of Stephanie Dunbar-Co from the Environmental Council, Office of Environmental Quality Control, and Office of Hawaiian Affairs, The Nature Conservancy, and one individual.

Upon review of the testimony, your Committee finds that Dr. Dunbar-Co's background, knowledge, and experience in ecology, evolution, and conservation biology of Hawaiian flora qualify her for reappointment to the Environmental Council as a representative who is a sustainability coordinator. Dr. Dunbar-Co is currently employed as the East Slope Project Manager with The Nature Conservancy and led the expansion of the East Molokai Watershed Partnership. She serves as the Program Manager of Kainalu Ranch and has been a member of the Environmental Council since 2017. Based on her knowledge, experience, and commitment to public service, your Committee finds that Dr. Dunbar-Co will continue to be an asset to the Environmental Council.

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, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 3802 Agriculture and Environment on Gov. Msg. Nos. 704, 732, and 734

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF AGRICULTURE

G.M. No. 704 JOE TANAKA, for a term to expire 06-30-2020 (term amended to 6-30-2022 by GM742);

G.M. No. 732 FREDERICK COWELL, for a term to expire 06-30-2022; and

G.M. No. 734 DIANE LEY, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Joe Tanaka, Frederick Cowell, and Diane Ley for service on the Board of Agriculture.

JOE TANAKA

Your Committee received testimony in support of the nomination for the appointment of Joe Tanaka from the Department of Agriculture and one individual.

Upon review of the testimony, your Committee finds that Mr. Tanaka's community involvement, background, and knowledge qualify him for appointment to the Board of Agriculture as an at-large representative. Mr. Tanaka is currently employed as an independent businessperson. Mr. Tanaka serves a number of community organizations, including the Maui County Department of Water Supply, Hawaii Criminal Justice Commission, Maui County Mayor's Commission on Children and Youth, Maui Visitor Bureau, and Sister State Commission. Your Committee finds that Mr. Tanaka brings to the Board extensive expertise to assist the Board in supporting agriculture throughout the State.

FREDERICK COWELL

Your Committee received testimony in support of the nomination for the appointment of Frederick Cowell from the Department of Agriculture, Hawai'i Farm Bureau, Hawaii Coffee Association, Hula Daddy Kona Coffee, Hawaii Coffee Company, and twenty-nine individuals.

Upon review of the testimony, your Committee finds that Mr. Cowell's background, knowledge, and experience in the coffee industry qualify him for appointment to the Board of Agriculture as a representative of the County of Kaua'i. Mr. Cowell is currently employed as the General Manager of the Kauai Coffee Company, LLC, where he leads all facets of the vertically integrated coffee company, including farming, processing, roasting, packaging, marketing, and retail sales. Mr. Cowell has previously worked as the Program and Site Manager of Oceanit Laboratories where he led design, development, and fielding of the upgraded Hostile Fire Detection System. Your Committee finds that Mr. Cowell brings to the Board extensive expertise in leadership and the coffee industry to assist the Board in supporting agriculture throughout the State.

DIANE LEY

Your Committee received testimony in support of the nomination for the appointment of Diane Ley from the Department of Agriculture; Research Corporation of the University of Hawaii; Office of the Mayor of the County of Hawai'i; one council member of the County of Hawai'i; Hawai'i Farm Bureau; Hawaii Floriculture and Nursery Association; Hawaii Tropical Flower Council; Orchid Growers of Hawai'i; Ulupono Initiative; Hawaii Tropical Fruit Growers; Hawaii Fish Company Inc.; Kualoa Ranch Hawaii; Ponoholo Ranch Limited; Hawaii Cattlemen's Council, Inc.; Hawaii Forest Industry Association; Ka Ohana O Na Pua; Hawaii Coffee Association; and fifty individuals.

Upon review of the testimony, your Committee finds that Ms. Ley's background, knowledge, and experience in agriculture qualify her for appointment to the Board of Agriculture as a representative of the County of Hawai'i. Ms. Ley is currently employed as the Director of Research and Development of the County of Hawai'i, where she is responsible for the collection and development of research driven data necessary for managerial and legislative decision-making and program and policy development within the County of Hawai'i. Previously, Ms. Ley was employed as the State Executive Director of the United States Department of Agriculture Farm Service Agency for Hawaii and the Pacific Basin and Deputy to the Chairperson of the Board of Agriculture. Your Committee finds that Ms. Ley brings to the Board extensive expertise in government management of agribusiness to assist the Board in meeting the current and future needs of Hawai'i's agriculture sector.

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, 3. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 3803 Labor on Gov. Msg. No. 725

Recommending that the Senate advise and consent to the nomination of the following:

LABOR AND INDUSTRIAL RELATIONS APPEALS BOARD

G.M. No. 725 MELANIE MATSUI, for a term to expire 06-30-2028

Your Committee reviewed the personal history, resume, and statement submitted by Melanie Matsui for service on the Labor and Industrial Relations Appeals Board.

Your Committee received testimony in support of the nomination for the reappointment of Melanie Matsui from the Executive Officer of the Labor and Industrial Relations Appeals Board; Chamber of Commerce Hawaii; State of Hawaii Organization of Police Officers; Leong Kunihiro Benton & Brooke; Chong, Nishimoto, Sia, Nakamura & Goya; Oshima, Itomura & Fujimoto; and twenty-two individuals.

Upon review of the testimony, your Committee finds that Ms. Matsui's legal experience in labor, background, and knowledge qualify her for reappointment to the Labor and Industrial Relations Appeals Board. Ms. Matsui earned Juris Doctorate and Bachelor of Science degrees from Willamette University. She has been a Board Member of the Labor and Industrial Relations Appeals Board since September of 2008. Ms. Matsui is a former Associate of Matsui Chung Sumida & Tsuchiyama; Kessner Duca Umabayashi Bain & Matsunaga; and Leroy T. Kuwasaki, Jr., AAL, ALC; where at each firm she represented employers in workers' compensation cases before the Department of Labor and Industrial Relations' Disability Compensation Division and Labor and Industrial Relations Appeals Board. Ms. Matsui is active in the Haleiwa Jodo Mission and Haleiwa Jodo Mission Young Buddhist Association, and has previously served as a member of the Board of the Friends of the Cancer Research Center of Hawaii. Ms. Matsui is highly esteemed as a hard-working and extremely capable attorney whose expertise, intelligence, and energy will continue to be valuable assets to the Labor and Industrial Relations Appeals Board.

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

SCRep. 3804 Labor on Gov. Msg. No. 726

Recommending that the Senate advise and consent to the nomination of the following:

HAWAI'I LABOR RELATIONS BOARD

G.M. No. 726 SESNITA MOEPOONO, for a term to expire 06-30-2023

Your Committee reviewed the personal history, resume, and statement submitted by Sesnita Moepono for service on the Hawai'i Labor Relations Board.

Your Committee received testimony in support of the nomination for the reappointment of Sesnita Moepono from the Chair of the Hawai'i Labor Relations Board; Executive Officer of the Labor and Industrial Relations Appeals Board; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; University of Hawaii Professional Assembly; and five individuals.

Upon review of the testimony, your Committee finds that Ms. Moepono's legal experience, background, and knowledge qualify her for reappointment to the Hawai'i Labor Relations Board. Ms. Moepono has served on the Hawai'i Labor Relations Board since June 15, 2011. Previously, she worked as the Coordinator for Legislation and Litigation for the Offender Management Office of the Department of Public Safety and worked in solo private legal practice from 1998 to 2011, concentrating her practice in civil matters in the areas of contract, employment, estate planning, legislative analysis, probate, real property, and workers' compensation. In addition to her solo private practice during this period, she was involved in the public sector and legislative arena. She served as a capital improvement projects analyst with the Senate Ways and Means Committee and a staff attorney with the Senate Committee on Water and Land and the Senate Committee on Judiciary and Labor. Ms. Moepono is an active participant in the community by serving on the Kunawai Neighborhood Watch & Patrol and Downtown Business Association, and previously served on the Kupuna Caucus, the Honolulu Committee on Aging, and the Honolulu Planning Commission, among others. Your Committee finds that Ms. Moepono's extensive experience gives her a well-rounded legal background and that her knowledge and the perspectives she has gained through her work with management and labor unions make her a valuable member of the Hawai'i Labor Relations Board.

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

SCRep. 3805 Commerce, Consumer Protection, and Health on H.C.R. No. 52

The purpose and intent of this measure is to request the Auditor to assess the social and financial effects of proposed mandated health insurance coverage for the costs of medically necessary transportation to the continental United States for qualifying patients.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Kaiser Permanente Hawaii, Hawaii Medical Service Association, Hawai'i Pacific Health, and seven individuals.

Your Committee finds that for critically ill patients, immediate treatment and care can make a difference in their survival and recovery rates. However, in certain unique cases, the medical procedure a patient needs is not available in Hawaii and is only available on the continental United States. Because time is of the essence, the only viable means of receiving this treatment is transportation by air ambulance. Your Committee additionally finds that commercial flights are not an option for these patients, who require accompaniment by trained personnel. Furthermore, the cost of transportation by air ambulance can be a significant financial burden, as these transport airlines, which have highly specialized crews and equipment, cannot operate without upfront payment to cover the high cost of the services they render.

Your Committee further finds that although Medicaid covers the cost of air ambulance transportation to the continental United States, the same coverage is not offered by other health insurance, which creates an inequity in patients' ability to access critically-needed medical treatment. This measure therefore requests the Auditor to conduct a statutorily-required impact assessment report that assesses the social and financial effects of the mandated health insurance coverage under House Bill No. 687, H.D. 2, Regular Session of 2018, which proposes to require health insurance coverage for the costs of medically necessary transportation to the continental United States for qualifying patients.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 52, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 52, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Chang, Espero, Ruderman).

SCRep. 3806 Water and Land on H.C.R. No. 34

The purpose and intent of this measure is to urge the Division of State Parks of the Department of Land and Natural Resources to:

- (1) Conduct an assessment of potentially hazardous ocean conditions at beach parks prior to undertaking access improvements that will increase state beach park use; and
- (2) Provide information about potentially hazardous conditions at state beach parks on the Division's website and in its printed materials.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual.

Your Committee finds that state beach park improvements, such as paved access roads, restrooms, showers, and picnic tables, tend to greatly increase the use of those parks, particularly by visitors who are less likely to go to remote beaches that are not easily accessible and have no amenities. For example, improvements made at Kua Bay on the Island of Hawai'i greatly increased the use of that beach park. However, Kua Bay can experience rip tides, strong currents, rough shore break, and other conditions that may be dangerous for first-time visitors who are not aware of or experienced enough to handle these conditions. Thus, an increase in the number of visitors contributes to an increase in the number of accidents and deaths at Kua Bay. This measure ensures that safety concerns are addressed prior to undertaking access improvements to state beach parks that will increase use and provides a mechanism to keep beachgoers better informed about the potentially hazardous conditions at state beach parks they intend to visit.

Your Committee has amended this measure by:

- (1) Adding language to clarify that Kua Bay is one example of the safety concerns that are common at state beach parks in every county;
- (2) Adding the Chief of the Emergency Medical Services and Injury Prevention System Branch of the Department of Health, the Director of the Hawaii Emergency Management Agency of the Department of Defense, and the President of the Hawaiian Lifeguard Association to the list of recipients to receive a certified copy of this measure; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 34, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 34, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Riviere, Thielen).

SCRep. 3807 Transportation and Energy on H.C.R. No. 112

The purpose and intent of this measure is to ensure the safety of pedestrians on Haleakala Highway between Upper Kimo Drive and Ainakula Road by urging the Department of Transportation to assess the dangers of pedestrian use of the shoulder and examine the effectiveness of potential pedestrian safety measures.

Your Committee received testimony in support of this measure from the Department of Transportation.

Your Committee finds that as the Kula area has grown more popular among visitors to Hawaii, pedestrian and motor vehicle traffic on Haleakala Highway has increased significantly. Your Committee notes that there are significant safety risks for pedestrians along certain parts of Haleakala Highway in Kula, as there are no sidewalks for this stretch of the highway, and the shoulder is only six inches wide. The pedestrians are put at further risk by the large number of drivers who exceed the posted speed limit of thirty miles per hour. This measure seeks to assess these risks and provide safety measures for pedestrians.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 112, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3808 Transportation and Energy on H.C.R. No. 113

The purpose and intent of this measure is to request the Department of Transportation to study ways to encourage police and fire stations to have a certified child passenger safety technician available to inspect child passenger restraint systems.

Your Committee received testimony in support of this measure from the Department of Transportation and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that Hawaii's child passenger restraint law requires certain children to be properly restrained in a child passenger restraint system that meets federal motor vehicle safety standards. The child passenger restraint law also establishes punishment for failing to comply with the law. However, your Committee finds that parents who wish to have a child's safety seat or booster seat inspected to ensure that the seat meets safety standards have limited means to do so. There are only a few car seat inspection stations in the State, particularly on neighbor islands.

Your Committee believes that residents should have convenient access to safety seat or booster seat inspections, and notes that other states offer inspection services at neighborhood police and fire stations. While having inspection services provided at all police and fire stations in the State would be ideal, your Committee understands that such an approach could be infeasible. A feasibility study would allow the Legislature to determine the best way to encourage police and fire stations in the State to have a certified child passenger safety technician available to inspect child safety and booster seats.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 113, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3809 Government Operations on H.C.R. No. 177

The purpose and intent of this measure is to urge respective government entities at the state and national level to develop, update, and introduce policies related to helicopter air tours.

Your Committee received testimony in support of this measure from the Hawaii Island Coalition Malama Pono and five individuals. Your Committee received comments on this measure through a petition containing the names of one hundred eighty-three individuals.

Your Committee finds that Hawai'i Volcanoes National Park, on the island of Hawai'i, is managed by the Director of the National Park Service, which is a bureau of the United States Department of the Interior, and has more non-essential tour helicopter overflights than any other individual park in the nation. Your Committee further finds that in recent years, helicopter noise as a result of commercial air tour flights over residential areas in the east Hawai'i region of the island of Hawai'i has reached an unprecedented level. Residents in Hāmākua, Hilo, Mountain View, Puna, Volcano, and Ka'ū have continued to raise issues of overflights, noise complaints, and safety with the state Department of Transportation, Honolulu Flight Standards District Office of the Federal Aviation Administration, and air tour helicopter operators.

Your Committee additionally finds that it has been fourteen years since the Federal Aviation Administration and National Park Service initially asked for comments on an Air Tour Management Plan Environmental Assessment and seven years since a preliminary draft Air Tour Management Plan for Hawai'i Volcanoes National Park was published. However, there is still no final Air Tour Management Plan for Hawai'i Volcanoes National Park and the only rules that govern helicopter and fixed wing air tours over the airspace of the Hawaiian islands are contained in the decade-old Hawai'i Air Tour Common Procedures Manual. This measure therefore urges various government entities to develop, update, and introduce policies related to helicopter air tours at the state and national level, including completing the Air Tour Management Plan for Hawai'i Volcanoes National Park, Haleakalā, and other designated national parks throughout the nation; updating the Hawai'i Air Tour Common Procedures Manual; and working with community stakeholders to address concerns related to noise complaints and safety issues.

Further, your Committee notes that despite the fact that the Federal Aviation Administration has regulatory authority over air space the State could still be taking affirmative steps to address some of the many concerns relating to air tours in the State. Therefore, your Committee finds that establishing a working group to be led by the Department of Transportation and including members from the Department of Health and relevant legislative committees that could develop state-level policies and procedures for managing air tours at Hawai'i Volcanoes National Park, Haleakala, Punchbowl, and other designated locations throughout the State and coordinate communications between relevant state departments and agencies and the Federal Aviation Administration for the purposes of developing, updating, and introducing policies related to helicopter air tours would be beneficial.

Accordingly, your Committee has amended this measure by:

- (1) Adding language expressing similar concerns relating to noise and flight-safety from air tours over the densely populated Punchbowl region of Oahu, in and around Punchbowl Crater and the National Memorial Cemetery of the Pacific;
- (2) Requesting the convening of a working group to be led by the Department of Transportation to develop state-level policies and procedures for managing air tours at Hawai'i Volcanoes National Park, Haleakala, Punchbowl, and other designated locations throughout the State and to coordinate communications between relevant state departments and agencies and the Federal Aviation Administration for the purposes of developing, updating, and introducing policies related to helicopter air tours; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 177, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 177, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Galuteria).

SCRep. 3810 (Joint) Government Operations and Transportation and Energy on H.C.R. No. 130

The purpose and intent of this measure is to urge state agencies to:

- (1) Work together in planning for Hawaii's involvement in the Alliance for Coastal Technologies and Maritime Environmental Resource Center's program for the assessment and evaluation of biofouling management technologies;
- (2) Review the risks of the non-abrasive cleaning of ship hull microfouling and create processes and conditions, such as best management practices, to allow certain vessels with low-risk hull coatings or paint to apply for an in-water cleaning permit; and
- (3) Develop and implement a measurable and enforceable program to address biofouling, to launch with a voluntary compliance phase-in period by December 31, 2019, in accordance with the *Hawaii Interagency Biosecurity Plan 2017-2027*.

Your Committees received testimony in support of this measure from the Office of Planning; Department of Land and Natural Resources; Coordinating Group on Alien Pest Species; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; and Young Brothers, Limited.

Your Committees find that the maritime industry is an important component of the State's economy. Your Committees also find biofouling, the accumulation of microorganisms, plants, algae, or animals on a wetted surface, such as the hull of a shipping vessel, is a serious vector of aquatic invasive species transfer through transpacific travel, which, if transferred and established in new ecosystems, may pose threats to the environment, human health, property, and resources. Moreover, your Committees find that the *Hawaii Interagency Biosecurity Plan 2017-2027* recognized that up to seventy-eight percent of Hawaii's non-native marine algae and invertebrate species can be attributed to vessel biofouling. Further, your Committees find that to develop and implement safe and effective measures for management of biofouling in Hawaii's harbors, a high level of coordination between various state agencies is required.

Your Committees also note that the development of plans for Hawaii's involvement in the Alliance for Coastal Technologies and Maritime Environmental Resource Center's program for the assessment and evaluation of biofouling management technologies would benefit from state agencies working alongside other interested stakeholders, including the Hawaii Harbors User Group.

Accordingly, your Committees have amended this measure by:

- (1) Urging state agencies to work together and with interested stakeholders, including the Hawaii Harbor Users Group;
- (2) Adding the Executive Director of the Hawaii Harbors User Group to the list of entities to receive a certified copy; and
- (3) Making technical, nonsubstantive changes for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Government Operations and Transportation and Energy that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 130, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 130, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Government Operations: Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Ruderman).

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3811 (Joint) Government Operations and Transportation and Energy on H.C.R. No. 123

The purpose and intent of this measure is to request:

- (1) The Department of Accounting and General Services to examine projects that would reduce energy costs for state departments and agencies and report to the Legislature prior to the 2019 Regular Session;
- (2) The Office of the Auditor to examine potential energy savings costs for state departments and agencies and report to the Legislature prior to the 2019 Regular Session; and
- (3) The State Procurement Office to update and publish the Energy Savings Performance Contracting list that includes a list of all pre-qualified energy service companies (ESCOs) no later than July 1, 2018.

Your Committees received testimony in support of this measure from Ulupono Initiative, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and NORESCO. Your Committees received comments on this measure from the Department of Accounting and General Services, Office of the Auditor, and State Procurement Office.

Your Committees find that ensuring that state departments and agencies employ the latest energy efficiency measures not only supports the State's long-term viability, but also increases government efficiency. Your Committees also find that section 36-41, Hawaii Revised Statutes, codifies the requirement that government agencies "evaluate and identify for implementation energy efficiency retrofitting through performance contracting". However, your Committees find that even though the annual cost of electricity is increasing, the maintenance of state facilities is regularly being deferred, exacerbating the amount the State spends on electricity. Therefore, your Committees find that the Department of Accounting and General Services and the Office of the Auditor should examine potential energy savings costs for state departments and agencies. Further, your Committees find that the State Procurement Office should update and publish the Energy Savings Performance Contracting list that includes a list of all pre-qualified ESCOs.

Your Committees also note that the previous Energy Savings Performance Contracting list expired in early 2017 and despite significant notice that the list was set to expire and ample time since the expiration of the list, the Department of Accounting and General Services has not finalized the criteria for issuing a new solicitation for energy service companies to compile a new Energy Savings Performance Contracting list. While your Committees recognize that the Department of Accounting and General Services has been operating with reduced staffing, your Committees find that finalizing the updated Energy Savings Performance Contracting list is essential for saving the State significant money on future projects and therefore, strongly urge the Department of Accounting and General Services to complete its process in a timely fashion. However, because of these delays, your Committees recognize that the State Procurement Office will not be able to publish an updated Energy Savings Performance Contracting list by July 1, 2018.

Accordingly, your Committees have amended this measure by changing the date by which the State Procurement Office is requested to update and publish the Energy Savings Performance Contracting list that includes of all pre-qualified energy service companies to no later than December 30, 2018.

As affirmed by the records of votes of the members of your Committees on Government Operations and Transportation and Energy that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 123, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 123, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Government Operations: Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Ruderman).

Transportation and Energy: Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3812 Transportation and Energy on H.C.R. No. 30

The purpose and intent of this measure is to reduce the number of bicycle riders injured by drivers and passengers negligently exiting their vehicles by urging the Department of Transportation to include the "Dutch Reach" in driver's education curricula.

Your Committee received testimony in support of this measure from the Department of Transportation, Hawaii Bicycling League, Peoples Advocacy for Trails Hawai'i, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual.

Your Committee finds that bicycling is a mode of transportation that is good for the health and good for the environment. However, careless drivers can sometimes pose a safety risk to bicyclists, even after parking their vehicles. Drivers who open their doors quickly

without being aware of their surroundings might open their doors into the path of an oncoming bicyclist, which can severely injure or kill the bicyclist. These types of accidents, known as doorings, account for up to twenty percent of the most common accidents between bicyclists and vehicles in major cities.

Your Committee further finds that the occurrence of doorings can be reduced if drivers are more cautious when they open their doors. One way to improve safety is to use the Dutch Reach, also known as the far hand method. The Dutch Reach involves using the far-side hand to open the door, which forces one's torso and head to swivel and allows for an unobstructed view backwards to watch for oncoming bicyclists and traffic. Your Committee believes that widespread use of the Dutch Reach will reduce the number of dooring accidents and improve overall bicycle safety, and urges the Dutch Reach be included in driver's education courses.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 30, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 30, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3813 Government Operations on H.C.R. No. 108

The purpose and intent of this measure is to urge the State to address the lack of language support for persons with limited English proficiency in services, programs, and activities offered by state government.

Your Committee received testimony in support of this measure from the Office of Language Access, Hawaii Friends of Civil Rights, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Filipina Advocacy Network, Volunteer Legal Services Hawai'i, Filipino American Citizens League, American Immigration Council, and four individuals.

Your Committee finds that for persons with limited English proficiency, language can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding information. Your Committee also finds that Hawaii is home to a large number of persons with limited English proficiency who do not speak English as their primary language and self-identify as having a limited ability to read, write, speak, or understand English. Therefore, your Committee finds that the State should prioritize ensuring meaningful access to services, programs, and activities for all persons in the State. Moreover, your Committee finds that the State should promote the hiring of bilingual and multilingual persons in the State's workforce, expand the functional and active use of languages commonly spoken in the State by persons in the workforce, recognize language skills as critical workforce skills that are essential to the State, and promote workplace training, public service campaigns, and educational programs that address bias and discrimination with respect to using languages other than English. Further, your Committee finds that the State should promote study of languages other than English and an environment of aloha where the use of languages other than English in public settings is welcomed and valued.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 108, H.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 3814 Education on H.C.R. No. 198

The purpose and intent of this measure is to request that the Hawaii State Department of Education report to the Legislature on its compliance with the Patsy Mink Equal Opportunity in Education Act and the resolution agreement between the Hawaii State Department of Education and United States Department of Education Office for Civil Rights dated December 20, 2017.

Your Committee received testimony in support of this measure from the Department of Education, Hawai'i State Commission on the Status of Women, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, American Civil Liberties Union of Hawai'i, Domestic Violence Action Center, YWCA O'ahu, Planned Parenthood Votes Northwest and Hawai'i, LGBT Caucus of the Democratic Party of Hawai'i, and two individuals.

Your Committee finds that according to the United States Department of Education Office for Civil Rights, which is responsible for enforcing Title IX, the Hawaii State Department of Education is out of compliance with Title IX. Specifically, the Hawaii State Department of Education was in violation of certain Title IX requirements related to designating and providing notice of a coordinator to carry out Title IX responsibilities, developing and disseminating a notice of nondiscrimination, and providing appropriate grievance procedures to address complaints. As a result, the Hawaii State Department of Education agreed to take multiple steps and actions to come into compliance with Title IX, including committing to various reporting requirements to the United States Department of Education Office for Civil Rights.

Your Committee further finds that participation in after-school sports enhances girls' leadership skills and boosts their success in academic and collegiate achievement, making them more likely to graduate from high school and score higher on standardized tests. However, many girls throughout the State participate in public school sports using inferior sports facilities and without adequate drinking water or restrooms nearby. Therefore, it is essential that the Hawaii State Department of Education uphold the mandates required by Title IX to provide equal access to the benefits of any education program or activity that receives Federal financial assistance.

This measure seeks to ensure the Legislature is kept up to date with the Department of Education's compliance efforts with regard to Title IX.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 198, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 198, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Kahele).

SCRep. 3815 Government Operations on Gov. Msg. No. 502

Recommending that the Senate advise and consent to the nomination of the following:

STATE PROCUREMENT OFFICE ADMINISTRATOR

G.M. No. 502 SARAH-JANE ALLEN, for a term to expire 10-03-2021

Your Committee reviewed the personal history, resume, and statement submitted by Sarah-Jane Allen for service as the State Procurement Office Administrator.

Your Committee received testimony in support of the nomination for the reappointment of Sarah-Jane Allen from the Department of Accounting and General Services; Office of Veterans' Services; Integrated Securities Technologies, Inc.; Child & Family Service; Hawaii Laborers-Employers Cooperation and Education Trust; Ulupono Initiative; Hawaii Alliance of Nonprofit Organizations; General Contractors Association of Hawaii; Alaska-Hawaii Governmental Procurement Association; and thirty-three individuals.

Upon review of the testimony, your Committee finds that Ms. Allen is currently serving as the State Procurement Office Administrator, a position she has held since November 2013. During her time as Administrator, she has proven to be a strong leader with effective communication skills and an innovative and forward-thinking vision of procurement. Under Ms. Allen's leadership, the State Procurement Office has improved and the State's procurement process has been enhanced through the updating and modernization various online tools relating to procurement, including development of the Hawaii Awards and Notice Database or HANDS system that is a one-stop shop for solicitations and award notices. Ms. Allen has also worked to improve the State Procurement Office's interactions and communications with or government agencies and departments, so that those departments and agencies might better understand their procurement duties. Moreover, in recognition that the full contract life-cycle is effected by procurement, Ms. Allen has directed the State Procurement Office toward emphasizing post-award contract management as an essential part of the procurement planning process. Further, under Ms. Allen's leadership, the State Procurement Office, has completed more than sixty compliance reviews and investigations and managed more than one hundred eighty state-wide contracts totaling more than \$1.2 billion.

In addition, Ms. Allen's extensive background in procurement and financial management has proven to be a great asset to the State Procurement Office. Ms. Allen holds a Bachelor of Commerce from the University of Southern Africa, Master of Acquisition Management from American Graduate University, and a Global Executive Master of Business Administration from George Mason University. Prior to taking over as Administrator of the State Procurement Office, Ms. Allen spent several years with the National Geospatial Intelligence Agency, most notably as the Executive Advisor to the Senior Procurement Executive, where her team managed the cross-functional initiative, Agile Acquisition. She also has fourteen years of contracting and acquisition experience, which includes time in the United States Air Force.

Accordingly, your Committee finds that Ms. Allen's demonstrated dedication to improving and innovating the State Procurement Office, continuing commitment to enhance procurement practices, accomplishments as the State Procurement Office Administrator, and her past experiences with procurement, qualify Ms. Allen for reappointment as the State Procurement Office Administrator.

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 (Galuteria).

SCRep. 3816 Government Operations on Gov. Msg. Nos. 507 and 508

Recommending that the Senate advise and consent to the nominations of the following:

ENHANCED 911 BOARD

G.M. No. 507 COREY SHAFFER, for a term to expire 06-30-2018; and

G.M. No. 508 COREY SHAFFER, for a term to expire 06-30-2020

Your Committee reviewed the personal history, resume, and statement submitted by Corey Shaffer for service on the Enhanced 911 Board.

Your Committee received testimony in support of the nomination for the appointment and reappointment of Corey Shaffer from the Department of Accounting and General Services, Executive Director of the Enhanced 911 Board of Directors, and two individuals.

Upon review of the testimony, your Committee finds that Mr. Shaffer's knowledge and prior experience qualify him for appointment and reappointment to the Enhanced 911 Board. Mr. Shaffer is a graduate of the University of Pittsburgh with a Bachelor of Science in electrical engineering and has a strong background in Radio Frequency Design and various communications protocols, including LTE, CDMA, and SIP/RTP, and internet protocol. Mr. Shaffer has been an employee of Verizon Wireless for more than a decade. For the last several years, Mr. Shaffer served as the Principal System Performance Engineer for the Hawaii Market and was

responsible for maintaining performance of the radio and local core network throughout the islands including reviewing and approving cell site designs, creating and prioritizing new projects, testing and activating new services, and troubleshooting network issues. In March 2017, Mr. Shaffer was promoted to the West Territory RAN Team providing support to engineers in the western half of the United States by conducting trials, issuing recommendations and best practices, acting as "Tier 2" support for troubleshooting network issues, and managing bug fixes and feature requests with various equipment vendors. Your Committee finds that Mr. Shaffer's considerable leadership and project management experience 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 (Galuteria).

SCRep. 3817 Water and Land on Gov. Msg. No. 606

Recommending that the Senate advise and consent to the nomination of the following:

LEGACY LAND CONSERVATION COMMISSION

G.M. No. 606 KANOE WILSON, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Kanoe Wilson for service on the Legacy Land Conservation Commission.

Your Committee received testimony in support of the nomination for the reappointment of Kanoe Wilson from the Department of Land and Natural Resources, one Council Member of the Council of the County of Hawai'i, Molokai Land Trust, and two individuals.

Upon review of the testimony, your Committee finds that Ms. Wilson's experience as an Education Program Manager at Kamehameha Schools Hawai'i, commitment to public service, and proven leadership qualify her to be nominated for reappointment to the Legacy Land Conservation Commission as a member knowledgeable about native Hawaiian culture. Your Committee notes that Ms. Wilson is a professional educator and a Hawaiian cultural practitioner with a strong passion and commitment for community-based land stewardship. She has previously served as an Education Officer at Kamehameha Schools Hawai'i, a Legacy Land Education Specialist for Kamehameha Schools' 'Āina Ulu Program, a Program Coordinator for the University of Hawai'i at Hilo's Kīpuka Native Hawaiian Student Center, and an Interpretive Park Ranger at the Hawai'i Volcanoes National Park.

Your Committee further notes that the testimony received in support of Ms. Wilson's nomination for reappointment to the Legacy Land Conservation Commission indicate that she communicates gracefully and compassionately with applicants for grants from the Legacy Land Conservation Program and helps her fellow commissioners and program staff better understand the deeper significance of the native cultural landscape and related community concerns. Ms. Wilson's knowledge and experience in 'ike Hawai'i and 'āina-based education will continue to fill a valuable niche on the Legacy Land Conservation Commission.

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, 3. Noes, none. Excused, 2 (Inouye, Thielen).

SCRep. 3818 Water and Land on Gov. Msg. No. 653

Recommending that the Senate advise and consent to the nomination of the following:

NATURAL AREA RESERVES SYSTEM COMMISSION

G.M. No. 653 ALISON COHAN, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Alison Cohan for service on the Natural Area Reserves System Commission.

Your Committee received testimony in support of the nomination for the appointment of Alison Cohan from the Department of Land and Natural Resources, Office of Economic Development of the County of Maui, The Nature Conservancy of Hawai'i, East Maui Watershed Partnership, and one individual.

Upon review of the testimony, your Committee finds that Alison Cohan's background, experience, and proven leadership qualify her to be nominated to the Natural Area Reserves System Commission as a member possessing scientific qualifications as evidenced by an academic degree in resource management. Your Committee notes that Ms. Cohan currently serves as the Director of the Maui Nui Forest Program for The Nature Conservancy of Hawai'i to promote exemplary landscape-scale management and threat abatement and effective conservation management of The Nature Conservancy's network of preserves and landholdings in Maui County. She has demonstrated extensive leadership and field expertise in resources management through this position as well as her previous position as a field representative for the program. Ms. Cohan also has expertise in marine management focusing on monk seals and whales through her previous research positions and has been deeply engaged in large-scale conservation planning efforts through watershed partnerships and invasive species committees.

Your Committee further notes that the Hawaii State Ethics Commission was consulted on whether Ms. Cohan's employment with The Nature Conservancy of Hawai'i poses any potential conflicts of interest if she is appointed to serve as member of the Natural Area Reserves System Commission. A staff attorney at the Hawaii State Ethics Commission informed your Committee that nothing prevents the appointment. Her appointment as a member possessing scientific qualifications as evidenced by an academic degree in resource

management is a role that is separate from her employment with The Nature Conservancy. However, if Ms. Cohan is appointed to serve on the Commission, the staff attorney at the Hawaii State Ethics Commission advised that she should not take any action that involves any sum of money for The Nature Conservancy. As an employee of The Nature Conservancy, she should refrain from being involved in proposals for funding from the Board of Land and Natural Resources or in the handling of funds awarded by the Board of Land and Natural Resources to The Nature Conservancy. For other non-funding related decisions before the Natural Area Reserves System Commission involving The Nature Conservancy, or for funding to competitors of The Nature Conservancy, Ms. Cohan is urged to consult the Hawaii State Ethics Commission for further guidance. Your Committee has spoken to the nominee about these issues during phone calls on two separate occasions, and the nominee has agreed to follow all of the recommendations made by the staff attorney of the Hawaii State Ethics Commission.

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, 3. Noes, none. Excused, 2 (Inouye, Thielen).

SCRep. 3819 Education on Gov. Msg. Nos. 694, 695, and 696

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF EDUCATION

- G.M. No. 694 CATHERINE PAYNE, for a term to expire 06-30-2021;
- G.M. No. 695 DWIGHT TAKENO, for a term to expire 06-30-2021; and
- G.M. No. 696 MARGARET COX, for a term to expire 06-30-2021

Your Committee reviewed the personal histories, resumes, and statements submitted by Catherine Payne, Dwight Takeno, and Margaret Cox for service on the Board of Education.

CATHERINE PAYNE

Your Committee received testimony in support of the nomination for the appointment of Catherine Payne from the HE'E Coalition, Parents and Children Together, HawaiiKidsCAN, Adult Friends for Youth, and numerous individuals.

Upon review of the testimony, your Committee finds that Ms. Payne is presently a Commissioner and Chair of the Hawaii State Public Charter School Commission and an Educational Consultant for Ke Alaka'i Mau, LLC. Ms. Payne also has extensive work experience in the field of education, including as a mentor for the University of Hawai'i College of Education's Education Doctorate in Professional Educational Practices, principal of Governor Wallace Rider Farrington High School for fifteen years, and teacher at Nanakuli High and Intermediate School. According to the testimony, Ms. Payne possesses the knowledge of the public, charter, and university school systems in Hawaii and has served students in Hawaii with honesty, integrity, and clarity through various capacities. Ms. Payne indicated in her personal statement that she hopes to bring a voice to the Board of Education that reflects a broad and deep understanding of how schools must adjust to effectively educate children for today's world. Your Committee therefore finds that Ms. Payne's extensive career in the field of education, as well as her prior success in leading positive change in schools, will be great assets to the Board of Education.

DWIGHT TAKENO

Your Committee received testimony in support of the nomination for the appointment of Dwight Takeno from the University of Hawai'i Professional Assembly; HE'E Coalition; United Public Workers, AFSCME, Local 646, AFL-CIO; HawaiiKidsCAN; and numerous individuals.

Upon review of the testimony, your Committee finds that Mr. Takeno is presently the Director of Administrative Services for the Office of the Vice President of Research and Innovation at the University of Hawai'i System Office and has previous work experience as the Director of Collective Bargaining and Employee Relations for the University of Hawai'i System Office, Human Resources Specialist at the University of Hawai'i at Manoa, and Interim Executive Director and Chief Negotiator for the Hawai'i State Teachers Association. According to the testimony, Mr. Takeno brings important higher education and charter school perspectives to the Board of Education. Mr. Takeno indicated in his personal statement that serving on the Board of Education will allow him to give back to the education system that has allowed him and his family to live the life they enjoy, including providing opportunities to grow professionally, individually, and economically. Your Committee therefore finds that Mr. Takeno's professional experience, as well as his integrity and willingness to listen to issues and concerns with an open mind, will be great assets to the Board of Education.

MARGARET COX

Your Committee received testimony in support of the nomination for the reappointment of Margaret Cox from the HE'E Coalition, HawaiiKidsCAN, and two individuals.

Upon review of the testimony, your Committee finds that Ms. Cox's has extensive experience as a teacher, administrator, and Board of Education member, where she was first elected to the State Board of Education in 2004 and served until 2011 when the Board transitioned to an appointed Board. Ms. Cox is currently serving on the Board with a term to expire June 30, 2018. Previously, Ms. Cox was a school principal responsible for opening King Kaunualii Elementary School in 1990 and Chiefess Kamakahelei Middle School in 2000. According to the testimony, Ms. Cox has a good understanding of the goals of the education system in the State, as she has participated in the Department of Education and Board of Education 2017-2020 Strategic Plan and Hawaii's Consolidated State Plan for the Every Student Succeeds Act. In her personal statement, Ms. Cox indicated that she brings school level experiences to policy discussions and hopes to explore ways for neighbor island teachers, parents, community members, and students to have their

voices heard. Your Committee therefore finds that Ms. Cox's experience in classroom instruction, educational administration, and education policy, as well as her dedication to public service, will be great assets to the Board of Education.

As affirmed by the records of votes of the members of your Committee on Education that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Espero).

SCRep. 3820 Education on Gov. Msg. Nos. 661, 662, 663, 664, 669, and 670

Recommending that the Senate advise and consent to the nominations of the following:

EARLY LEARNING BOARD

- G.M. No. 661 CHERILYN SHIINOKI, for a term to expire 06-30-2018;
- G.M. No. 662 CHERILYN SHIINOKI, for a term to expire 06-30-2020;
- G.M. No. 663 ANN TOM, for a term to expire 06-30-2020;
- G.M. No. 664 EDELUISA BAGUIO-LARENA, for a term to expire 06-30-2021;
- G.M. No. 669 BENJAMIN NAKI III, for a term to expire 06-30-2019; and
- G.M. No. 670 MAUREEN RAWLINS, for a term to expire 06-30-2020

Your Committee reviewed the personal histories, resumes, and statements submitted by Cherilyn Shiinoki, Ann Tom, Edeluisa Baguio-Larena, Benjamin Naki III, and Maureen Rawlins for service on the Early Learning Board.

CHERILYN SHIINOKI

Your Committee received testimony in support of the nomination for the appointment and reappointment of Cherilyn Shiinoki from the Executive Office on Early Learning and two individuals.

Upon review of the testimony, your Committee finds that Ms. Shiinoki is presently the Executive Director for Family Hui Hawaii, which offers a peer-to-peer parenting support program, and has previous professional and volunteer experience as a Volunteer Intern for the State of Hawaii Governor's Executive Office on Early Learning; Education Specialist, Substitute Teacher, and Administrative Support at the University of Hawaii at Manoa Children's Center; and Children's Ministry Director for New Hope Diamond Head. According to testimony, Ms. Shiinoki is highly respected by her peers and has a firm understanding of the Early Learning Board's objectives, strategies, and focuses. In her personal statement, Ms. Shiinoki indicated that she hopes that the voices of families are represented on the Early Learning Board to design a sustainable early learning system in which children are healthy, valued, and successful in school and life. Your Committee therefore finds that Ms. Shiinoki's professional background, as well as her dedication to serving the public, will be great assets to the Early Learning Board.

ANN TOM

Your Committee received testimony in support of the nomination for the reappointment of Ann Tom from the Executive Office on Early Learning and four individuals.

Upon review of the testimony, your Committee finds that Ms. Tom is presently a Senior Outreach Program Specialist for the Learning to Grow Program under the University of Hawaii's Center on the Family and has previous work experience with the Center on the Family as a Project Coordinator for the Quality Care Program for Center-Based and Home-Based Child Care Providers, Senior Project Facilitator, and Project Coordinator. According to the testimony, Ms. Tom is a strong advocate for young children, particularly those in the infant and toddler stages. In her personal statement, Ms. Tom indicated that she believes that if the youngest children receive nurturing and responsive care from the beginning of their lives, many of the learning challenges in the schools could be prevented. Your Committee therefore finds that Ms. Tom's professional experience in the fields of child development, child care, and early childhood education, as well as her desire to improve child care in the State, will continue to be great assets to the Early Learning Board.

EDELUISA BAGUIO-LARENA

Your Committee received testimony in support of the nomination for the reappointment of Edeluisa Baguio-Larena from the Executive Office on Early Learning and three individuals.

Upon review of the testimony, your Committee finds that Ms. Baguio-Larena is presently the Chief Executive Officer for Maui Family Support Services, Inc., a non-profit agency serving Maui County, and has previous work experience as the Director of Early Childhood Education and Services, Program Supervisor, and Clinical Supervisor for Maui Family Support Services, Inc. According to the testimony, Ms. Baguio-Larena's expertise as a home-visiting program provider has been valuable to the Early Learning Board in the past, as she offers an important perspective that emphasizes the variety of settings and choices families pursue in support of quality early learning and care. In her personal statement, Ms. Baguio-Larena indicated that, as a member of the Early Learning Board completing her first term, she has attended all of the regular monthly board meetings and looks forward to actively participating in the finalization of the strategic plan of the Early Learning Board. Your Committee therefore finds that Ms. Baguio-Larena's professional experience, as well as her willingness to serve, will continue to be great assets to the Early Learning Board.

BENJAMIN NAKI III

Your Committee received testimony in support of the nomination for the appointment of Benjamin Naki III from the Executive Office on Early Learning, Parents and Children Together, and four individuals.

Upon review of the testimony, your Committee finds that Mr. Naki is presently the Vice President of Early Education Programs for Parents and Children Together and has previous work experience as a Program Director, Assistant Director, Comprehensive Services Manager, Family Services Coordinator, and Father Facilitator for Parents and Children Together. According to the testimony, Mr. Naki is an accomplished leader who has a clear understanding of the needs of the community and its consumers. In his personal statement, Mr. Naki indicated that he believes his extensive experience in Head Start, Early Head Start, center-based preschool, and home visiting provides him with an overall understanding of the strengths and limitations of each model. Your Committee therefore finds that Mr. Naki's vast professional experience, as well as his steadfast commitment to the children and families of Hawaii, will be great assets to the Early Learning Board.

MAUREEN RAWLINS

Your Committee received testimony in support of the nomination for the reappointment of Maureen Rawlins from the Office of Hawaiian Affairs, Executive Office on Early Learning, a member of the Hawaii County Council, 'Aha Pūnana Leo, Native Hawaiian Education Council, and ten individuals.

Upon review of the testimony, your Committee finds that Ms. Rawlins is presently the Director of Strategic Partnerships and Collaborations for 'Aha Pūnana Leo, Inc., as well as the Co-founder and Vice President of the National Coalition of Native American Language Schools and Programs. Her previous work experience includes serving as the Executive Director of 'Aha Pūnana Leo, Inc., a position she held for eighteen years. According to the testimony, Ms. Rawlins is intimately familiar with the concerns and needs of Hawaiian language medium early learning providers. In her personal statement, Ms. Rawlins indicated that, as the representative of Hawaiian language medium early learning providers on the Early Learning Board, she has been able to ensure that the voice for Hawaiian speaking families and children are considered in decisions being made in early childhood development and care. Your Committee therefore finds that Ms. Rawlins's willingness to serve, as well as her perspective on Hawaiian medium early education, will continue to be great assets to the Early Learning Board.

As affirmed by the records of votes of the members of your Committee on Education that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Dela Cruz, Espero).

SCRep. 3821 Commerce, Consumer Protection, and Health on Gov. Msg. No. 709

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOARD OF NATUROPATHIC MEDICINE

G.M. No. 709 KATHRYN TAKETA-WONG, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Kathryn Taketa-Wong for service on the State Board of Naturopathic Medicine.

Your Committee received testimony in support of the nomination for the reappointment of Kathryn Taketa-Wong from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Dr. Taketa-Wong's knowledge, background, and proven leadership on the State Board of Naturopathic Medicine qualify her to be nominated for reappointment to the State Board of Naturopathic Medicine as a licensee member. Your Committee notes that Dr. Taketa-Wong has been licensed in Hawaii since 2011 and is a naturopathic physician and acupuncturist in her own private practice, where she focuses on autism spectrum and pediatric developmental disorders. Dr. Taketa-Wong has served on the legislative committee for the Hawaii Society of Naturopathic Physicians since 2013 and previously worked with the American Association of Naturopathic Medicine and the Oregon Association of Naturopathic Medicine on legislative issues pertaining to naturopathic medicine. Your Committee further finds that Dr. Taketa-Wong has served as a member of the State Board of Naturopathic Medicine since July 2014, currently serves as the Board's Vice Chair, and her perspective as a naturopathic physician in private practice continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Dr. Taketa-Wong be reappointed to the State Board of Naturopathic Medicine based on her background, experience, and dedication 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, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3822 Commerce, Consumer Protection, and Health on Gov. Msg. No. 643

Recommending that the Senate advise and consent to the nomination of the following:

HAWAI'I ADVISORY COMMISSION ON DRUG ABUSE AND CONTROLLED SUBSTANCES

G.M. No. 643 KENNETH TANO, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Kenneth Tano for service on the Hawai'i Advisory Commission on Drug Abuse and Controlled Substances.

Your Committee received testimony in support of the nomination for the appointment of Kenneth Tano from the Department of Health, Hawai'i Police Department, and one individual.

Upon review of the testimony, your Committee finds that Mr. Tano's experience, expertise, and background qualify him to be nominated for appointment to the Hawai'i Advisory Commission on Drug Abuse and Controlled Substances as a representative of the community and business affairs segment of the community. Your Committee finds that, prior to his retirement, Mr. Tano served as a major in the Honolulu Police Department, Narcotics/Vice Division. Your Committee also finds that Mr. Tano currently serves as the Hawai'i Law Enforcement Coordinator for the Western States Information Network. In this capacity, Mr. Tano shares information and cooperates with investigations on a regional level. Accordingly, your Committee finds that Mr. Tano will provide a local law enforcement presence on the Commission as well as perspectives gleaned from twenty years of regional information sharing to support criminal investigations and officer safety. Mr. Tano notes in his personal statement that his top priority is to improve methods used to identify at-risk juveniles and young adults and provide them with education and treatment.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3823 Commerce, Consumer Protection, and Health on Gov. Msg. No. 706

Recommending that the Senate advise and consent to the nomination of the following:

POLICY ADVISORY BOARD FOR ELDER AFFAIRS

G.M. No. 706 GARY SIMON, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Gary Simon for service on the Policy Advisory Board for Elder Affairs.

Your Committee received testimony in support of the nomination for the reappointment of Gary Simon from the Executive Office on Aging, Hawaii Family Caregiver Coalition, Hawaii Catholic Conference, Healthcare Association of Hawaii, and four individuals.

Upon review of the testimony, your Committee finds that Mr. Simon's knowledge, expertise, and prior service on the Policy Advisory Board for Elder Affairs (PABEA) qualify him to be nominated for reappointment to the Board. Your Committee finds that Mr. Simon is currently employed as the Director of Corporate Affairs and Advocacy for St. Francis Healthcare System of Hawaii, which provides care for the terminally ill. Your Committee further finds that Mr. Simon has nearly three decades of experience in the healthcare field, which will be a valuable resource to the Board. Your Committee also finds that Mr. Simon currently serves as the Chair of PABEA, demonstrating that he understands the role and responsibilities of Board membership. Your Committee further finds that Mr. Simon also serves as the President of the Hawaii Family Caregiver Coalition and as a board member of Kokua Mau, further demonstrating his commitment to the service of the elderly. Your Committee also notes that Mr. Simon has served as a caregiver for several of his family members, making him quite familiar with and knowledgeable about aging and caregiver issues.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3824 Commerce, Consumer Protection, and Health on Gov. Msg. No. 676

Recommending that the Senate advise and consent to the nomination of the following:

STATE COUNCIL ON MENTAL HEALTH

G.M. No. 676 CHARLEEN CROZIER, for a term to expire 06-30-2019

Your Committee reviewed the personal history, resume, and statement submitted by Charleen Crozier for service on the State Council on Mental Health.

Your Committee received testimony in support of the nomination for the appointment of Charleen Crozier from the Department of Health, Malama Family Recovery Center, and two individuals.

Upon review of the testimony, your Committee finds that Ms. Crozier's experience, background, and compassion qualify her to be nominated for appointment to the Council as an adult with a serious mental illness who is receiving or who has received mental health services. Your Committee finds that Ms. Crozier is currently employed as a Supported Housing Case Manager for Mental Health Kokua, Wailuku. Your Committee further finds that Ms. Crozier has worked in the mental health field since 2007, including in crisis intervention, peer coaching, and benefit planning. Your Committee further finds that Ms. Crozier advocates for reduced tobacco use among persons with mental illness as a certified Tobacco Treatment Specialist. Your Committee also finds that Ms. Crozier has previously served on the board of Mental Health America and understands the role and responsibilities of Council membership. Your

Committee finds that Ms. Crozier's unique experience as a consumer and provider of mental health services will provide valuable insight to the Council.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3825 Commerce, Consumer Protection, and Health on Gov. Msg. No. 668

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, WEST OAHU SUBAREA

G.M. No. 668 EMELYN KIM, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Emelyn Kim for service on the Health Planning Council, West Oahu Subarea.

Your Committee received testimony in support of the nomination for the reappointment of Emelyn Kim from the State Health Planning and Development Agency and three individuals.

Upon review of the testimony, your Committee finds that Ms. Kim's experience, expertise, and background qualify her to be nominated for reappointment to the Health Planning Council, West Oahu Subarea as a member of the public. Your Committee finds that Ms. Kim is currently self-employed as a consultant, providing services relating to individual and family group counseling and caregiver training and educating small residential care homes and adult foster homes. Your Committee also finds that Ms. Kim serves as the Vice-Chair of the Health Planning Council, West Oahu Subarea, demonstrating her understanding of the role and responsibilities of Council membership. Your Committee further finds that Ms. Kim has previously served as the Project Coordinator for the Kupuna Adult Care Home Project based at the Kapiolani Community College's Kupuna Education Center and for Ohana Care with the Honolulu Gerontology Program of Child & Family Service. Ms. Kim also serves as a caregiver for her own family, including her father, who resides in an adult foster home.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3826 Commerce, Consumer Protection, and Health on Gov. Msg. No. 607

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, TRI-ISLE SUBAREA

G.M. No. 607 KAREN HOLT, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Karen Holt for service on the Health Planning Council, Tri-Isle Subarea.

Your Committee received testimony in support of the nomination for the reappointment of Karen Holt from the State Health Planning and Development Agency and two individuals.

Upon review of the testimony, your Committee finds that Ms. Holt's knowledge, experience, and commitment to public service qualify her for nomination for reappointment to the Health Planning Council, Tri-Isle Subarea, as a member of the community. Your Committee finds that Ms. Holt has been employed as the Executive Director of the Molokai Community Service Council since 1997 and as the Principal of Ho'omana Hou High School since 2004, demonstrating her dedication to the community. Your Committee also finds that Ms. Holt currently serves as the Chairperson of the Health Planning Council, Tri-Isle Subarea, and previously served on the Council from 1994 to 1996, demonstrating that she understands the role and responsibilities of Council membership. Your Committee also finds that Ms. Holt has previously served on the boards of Molokai General Hospital, Molokai Health Foundation, and Hale Hoomalu Domestic Violence Center. Your Committee finds that Ms. Holt has a strong understanding of the health care needs of the Molokai community which will be of value to the Council.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3827 Commerce, Consumer Protection, and Health on Gov. Msg. No. 708

Recommending that the Senate advise and consent to the nomination of the following:

ELEVATOR MECHANICS LICENSING BOARD

G.M. No. 708 STEVE TSUNEMOTO, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Steve Tsunemoto for service on the Elevator Mechanics Licensing Board.

Your Committee received testimony in support of the nomination for the reappointment of Steve Tsunemoto from the Department of Commerce and Consumer Affairs and International Union of Elevator Constructors, Local Union No. 126, AFL-CIO.

Upon review of the testimony, your Committee finds that Mr. Tsunemoto's background, knowledge, and proven experience on the Elevator Mechanics Licensing Board qualify him to be nominated for reappointment to the Elevator Mechanics Licensing Board as a licensee member. Your Committee notes that Mr. Tsunemoto has over thirty years of experience constructing and servicing elevators, has been a Service Technician for ThyssenKrupp Elevator since 1986, holds a Qualified Elevator Inspector certificate, and is an instructor for the National Elevator Industry Educational Program, a nationally-recognized elevator apprenticeship program. In his role as an instructor, Mr. Tsunemoto is qualified to instruct in OSHA, scaffolding, electrical safety, and other areas pertaining to the elevator trade. Mr. Tsunemoto is also a member of the Executive Board for the International Union of Elevator Constructors, Local Union No. 126. Your Committee further finds that Mr. Tsunemoto previously served on the Elevator Mechanics Licensing Board from 2005 to 2011 and has been a member of the current Board since 2016, where his extensive experience in the industry continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Tsunemoto be reappointed to the Elevator Mechanics Licensing Board based on his knowledge, experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3828 Commerce, Consumer Protection, and Health on Gov. Msg. No. 712

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOARD OF BARBERING AND COSMETOLOGY

G.M. No. 712 CHAD NELSON, for a term to expire 06-30-2020

Your Committee reviewed the personal history, resume, and statement submitted by Chad Nelson for service on the State Board of Barbering and Cosmetology.

Your Committee received testimony in support of the nomination for the reappointment of Chad Nelson from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Mr. Nelson's knowledge, background, and proven experience on the State Board of Barbering and Cosmetology qualify him to be nominated for reappointment to the State Board of Barbering and Cosmetology as a public member. Your Committee notes that Mr. Nelson has been in the beauty industry for over ten years and has been the Regional Director for Fantastic Sams Hawaii since 2008, a position which has enabled him to gain a strong working knowledge of beauty culture and the beauty industry. Mr. Nelson also currently operates a beauty supply warehouse and is a partner of a salon management team and is dedicated to maintaining a high performance standard in all the salons he oversees. Your Committee further finds that Mr. Nelson has been a member of the State Board of Barbering and Cosmetology since July 2012 and his knowledge of the beauty industry has enabled him to contribute a valuable public member perspective to the Board and effectively advocate for consumer interests. Your Committee therefore recommends that Mr. Nelson be reappointed to the State Board of Barbering and Cosmetology based on his background, experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3829 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 609, 614, 636, and 667

Recommending that the Senate advise and consent to the nominations of the following:

STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

G.M. No. 609 HEIDI HARGETT, for a term to expire 06-30-2020;

G.M. No. 614 CATHERINE SORENSEN, for a term to expire 06-30-2020;

G.M. No. 636 NATALIE KAMA, for a term to expire 06-30-2022; and

G.M. No. 667 RICKY SHIMOKAWA, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Heidi Hargett, Catherine Sorensen, Natalie Kama, and Ricky Shimokawa for service on the State Council on Developmental Disabilities.

HEIDI HARGETT

Your Committee received testimony in support of the nomination for the appointment of Heidi Hargett from the State Council on Developmental Disabilities and The Arc of Kona.

Upon review of the testimony, your Committee finds that Ms. Hargett's experience, background, and leadership qualify her to be nominated for appointment to the Council as an individual with a developmental disability. Your Committee notes that federal law requires that sixty percent of the membership of the Council consist of individuals with developmental disabilities or their parents, relatives, or guardians, and that Ms. Hargett's appointment will help fulfill this requirement. Your Committee finds that Ms. Hargett is currently employed as a courtesy clerk at Safeway, and that she obtained employment through collaboration with The Arc of Kona, demonstrating her familiarity with services available to persons with disabilities. Your Committee also finds that Ms. Hargett serves as the Chair of the Big Island West Hawaii Self-Advocacy Advisory Council, demonstrating her understanding of the role and responsibilities of Council membership. Your Committee also finds that Ms. Hargett led a campaign to change a local bus route to accommodate the commutes of her peers, demonstrating her interest in advocacy and activism.

CATHERINE SORENSEN

Your Committee received testimony in support of the nomination for the appointment of Catherine Sorensen from the Department of Health, State Council on Developmental Disabilities, and three individuals.

Upon review of the testimony, your Committee finds that Dr. Sorensen's employment, knowledge, and expertise qualify her to be nominated for appointment to the Council as a representative of the state agency that administers funds under Title V of the Social Security Act. Your Committee finds that Dr. Sorensen currently serves as the Coordinator of the Child Abuse and Neglect Prevention Program in the Maternal and Child Health Branch, Family Health Services Division, Health Resources Administration, Department of Health. Your Committee further finds that this program addresses the needs of special populations, including violence prevention for children and adults with disabilities. Your Committee also finds that Dr. Sorensen previously served as the first Statewide Fetal Alcohol Spectrum Disorder Coordinator, and that her experience in this role will be valuable to the Council. Your Committee also finds that Dr. Sorensen has a niece and nephew with special needs, demonstrating her personal investment in the work of the Council, in addition to her professional capacity.

NATALIE KAMA

Your Committee received testimony in support of the nomination for the reappointment of Natalie Kama from the State Council on Developmental Disabilities, Aloha Psychological Services, and two individuals.

Upon review of the testimony, your Committee finds that Ms. Kama's background, experience, and dedication to community service qualify her to be nominated for reappointment to the Council as a parent of an individual with a developmental disability. Your Committee notes that federal law requires that sixty percent of the membership of the Council consist of individuals with developmental disabilities or their parents, relatives, or guardians, and that Ms. Kama's appointment will help fulfill this requirement. Your Committee finds that Ms. Kama is currently employed as the Lead Organizer for Faith Action for Community Equity Hawaii, demonstrating her commitment to serving the public. Your Committee also finds that Ms. Kama currently serves on the Council and understands the role and responsibilities of Council membership. Your Committee notes that Ms. Kama has been involved with the Maui Disability Alliance's annual Legislative Forum, and will provide the Council with her unique perspective, not only as a Maui resident but as a Native Hawaiian. Ms. Kama notes in her personal statement that she hopes to create a Parent Advocacy Group to better assist the families of children with developmental and intellectual disabilities and navigate the maze of available resources.

RICKY SHIMOKAWA

Your Committee received testimony in support of the nomination for the reappointment of Ricky Shimokawa from the State Council on Developmental Disabilities, Department of Education, and two individuals.

Upon review of the testimony, your Committee finds that Mr. Shimokawa's employment, experience, and background qualify him to be nominated for reappointment to the Council as a representative of the state agency that administers funds under the Individuals with Disabilities Education Act. Your Committee finds that Mr. Shimokawa is currently employed as an Educational Specialist in the Department of Education; in this position he conducts investigations regarding parent complaints about services provided to their children and works to provide equal access under the law. Your Committee further finds that Mr. Shimokawa's approximately fifteen years of employment as a Vice Principal, Special Education Teacher, and Civil Rights Compliance Specialist provide him with experience in the education field, which will be valuable to the Council. Your Committee also finds that Mr. Shimokawa serves on the Council and understands the role and responsibilities of Council membership. Mr. Shimokawa notes in his personal statement his plans to continue to ensure the Department of Education provides the necessary supports to students with disabilities.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3830 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 677, 678, and 711

Recommending that the Senate advise and consent to the nominations of the following:

MOTOR VEHICLE REPAIR INDUSTRY BOARD

G.M. No. 677 KELVIN KOHATSU, for a term to expire 06-30-2018;

G.M. No. 678 KELVIN KOHATSU, for a term to expire 06-30-2022; and

G.M. No. 711 MICHAEL TETSUTANI, for a term to expire 06-30-2020

Your Committee reviewed the personal histories, resumes, and statements submitted by Kelvin Kohatsu and Michael Tetsutani for service on the Motor Vehicle Repair Industry Board.

KELVIN KOHATSU

Your Committee received testimony in support of the nomination for the appointment and reappointment of Kelvin Kohatsu from the Department of Commerce and Consumer Affairs; Hawaiian Electric Company, Inc.; and Maui Electric Co., Ltd.

Upon review of the testimony, your Committee finds that Mr. Kohatsu's background, experience, and dedication to public service qualify him to be nominated for appointment and reappointment to the Motor Vehicle Repair Industry Board as a public member. Your Committee notes that Mr. Kohatsu has worked with heavy machinery for nearly forty-five years; is currently the Director of Fleet Services for Hawaiian Electric, Maui Electric, and Hawai'i Electric Light Companies (the Companies); and has been the Fleet Administrator for Hawai'i Electric Light Company since 2002. During his career with the Companies, he has adapted to the changing needs of the transportation industry by adopting biofuel, hybrid, and electric vehicles to the Companies' fleets, an experience that will be beneficial to the Board. Your Committee further finds that Mr. Kohatsu understands the role and responsibilities of board members by virtue of his current service as a board member of the Oahu Fleet Safety Organization and Hawaii Transportation Association and prior service as the transportation chair of the County of Hawai'i Energy Advisory Commission. Your Committee therefore recommends that Mr. Kohatsu be appointed and reappointed to the Motor Vehicle Repair Industry Board based on his knowledge, experience, and commitment to serving his community.

MICHAEL TETSUTANI

Your Committee received testimony in support of the nomination for the reappointment of Michael Tetsutani from the Department of Commerce and Consumer Affairs and Hawaii Automobile Dealers' Association.

Upon review of the testimony, your Committee finds that Mr. Tetsutani's knowledge, experience, and proven leadership on the Motor Vehicle Repair Industry Board qualify him to be nominated for reappointment to the Motor Vehicle Repair Industry Board as an industry member. Your Committee notes that Mr. Tetsutani has extensive experience in the automotive industry and has been with his present company, a franchise dealership in Honolulu, since 1981. Mr. Tetsutani has worked in a variety of key positions at his company, where he is currently the Service and Parts Director and previously held positions as lot attendant, car salesman, customer relations representative, Parts Manager, and Service Advisor. Your Committee further finds that Mr. Tetsutani has been a member of the Motor Vehicle Repair Industry Board since 2012, where he is a diligent contributing member, and his extensive professional experience and knowledge of the automobile industry continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Tetsutani be reappointed to the Motor Vehicle Repair Industry Board based on his background, knowledge, and dedication to public service.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3831 Housing on Gov. Msg. No. 516

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF DIRECTORS OF THE HAWAI'I PUBLIC HOUSING AUTHORITY

G.M. No. 516 ALBERT NAHALE-A, for a term to expire 06-30-2019

Your Committee reviewed the personal history, resume, and statement submitted by Albert Nahale-a for service on the Board of Directors of the Hawai'i Public Housing Authority.

Your Committee received testimony in support of the nomination for the appointment of Albert Nahale-a from the Hawai'i Public Housing Authority. Your Committee received testimony in opposition to the nomination for the appointment of Albert Nahale-a from one individual.

Upon review of the testimony, your Committee finds that Mr. Nahale-a's experience in the public and private sectors, commitment to public service, and proven leadership qualify him to be nominated for appointment to the Board of Directors of the Hawaii Public Housing Authority as a public member representing the County of Hawai'i. Your Committee notes that Mr. Nahale-a currently serves as the Senior Director of Kamehameha Schools Hawai'i where he is responsible for fulfilling Kamehameha Schools' strategic objectives on the island of Hawai'i to advance outcomes for Native Hawaiian learners. He is also directly responsible for the team of individuals that manages all lands owned by Kamehameha Schools on the island of Hawai'i, which totals nearly 300,000 acres of agricultural and conservation lands. He previously served as the Director of Laupahoehoe Community Public Charter School where he increased student enrollment, increased external revenue sources, and catalyzed active community partnerships.

Your Committee further notes that Mr. Nahale-a has extensive experience in the public sector, including serving as the Chairperson of the Hawaiian Homes Commission where he facilitated monthly meetings for the nine commissioners, led policy initiatives, evaluated programs, and managed a \$60,000,000 annual operating budget, a \$120,000,000 annual development budget, and two hundred employees. He also previously served as an East Hawai'i Commissioner of the County of Hawai'i Charter Commission, a

Federal Title III Coordinator for Hawai'i Community College, and a Development Specialist for Federal Housing Programs for the Rural Community Assistance Corporation.

Your Committee also notes that Mr. Nahale-a's years of government and private sector experience will be extremely valuable to the Board of Directors of the Hawai'i Public Housing Authority when reviewing state government issues and legislation. Testimony received in support of the nominee indicate that if appointed, Mr. Nahale-a's work ethic and integrity will be valuable assets to the Board of Directors and he will bring a fresh perspective in developing sound and thoughtful policy decisions.

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 (Harimoto).

SCRep. 3832 Housing on Gov. Msg. No. 724

Recommending that the Senate advise and consent to the nomination of the following:

HAWAI'I COMMUNITY DEVELOPMENT AUTHORITY

G.M. No. 724 WEI FANG, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Wei Fang for service on the Hawaii Community Development Authority.

Your Committee received testimony in support of the nomination for the reappointment of Wei Fang from the Hawaii Community Development Authority and one individual.

Upon review of the testimony, your Committee finds that Ms. Fang's experience in real estate development, commitment to public service, and proven leadership qualify her to be nominated for reappointment to the Hawaii Community Development Authority as an at-large member nominated by the Speaker of the House of Representatives. Your Committee notes that Ms. Fang currently serves as Co-Founder and Principal of Centre City Development, which is a Honolulu-based real estate development company with a focus on design-driven redevelopment of urban infill housing projects. She also currently serves as Founder and Principal of Interisland Terminal, which is a non-profit organization whose mission is to present exhibitions in contemporary art, film, and design and to advance the role of arts in innovation.

Your Committee further notes that if appointed to serve a second term on the Hawaii Community Development Authority, Ms. Fang's goals include working with her fellow board members to ensure a smooth transition for the new Executive Director; assisting the Hawaii Community Development Authority staff and leadership in strengthening the ability of the Authority to be more financially self-sustaining; collaborating with and engaging a broad cross-section of the He'eia community as the update of the He'eia master plan gets underway; and completing the transfer of Kaka'ako Makai park lands to the City and County of Honolulu in such a way as to ensure that the key features of the master plan for the Kaka'ako Waterfront Park are upheld. Testimony received in support of the nominee indicate that through her active participation, Ms. Fang has demonstrated her commitment and dedication to maintaining and enhancing the Hawaii Community Development Authority's Kaka'ako, He'eia, and Kalaeloa development districts. Her broad knowledge and experience in real estate redevelopment will continue to fill a valuable niche on the Authority.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Harimoto).

SCRep. 3833 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 680 and 692

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF SPEECH PATHOLOGY AND AUDIOLOGY

G.M. No. 680 JULIE YATOGO, for a term to expire 06-30-2022; and

G.M. No. 692 SHANNON CHING, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Julie Yatogo and Shannon Ching for service on the Board of Speech Pathology and Audiology.

JULIE YATOGO

Your Committee received testimony in support of the nomination for the reappointment of Julie Yatogo from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Ms. Yatogo's background, knowledge, and proven experience on the Board of Speech Pathology and Audiology qualify her to be nominated for reappointment to the Board of Speech Pathology and Audiology as a speech pathologist member. Your Committee notes that Ms. Yatogo has been a licensed speech pathologist in Hawaii for over thirty years and has worked in a variety of practice settings, including with the Department of Education and Easter Seals Hawaii, Kauai Service Center. Ms. Yatogo is also an active member of her professional organization, the Hawaii Speech-Language-Hearing Association, where she has served in a variety of leadership positions, including two terms as President. Your Committee further finds that Ms. Yatogo has been a member of the Board of Speech Pathology and Audiology since October 2016 and the insight

she offers, based on her many years of experience and unique perspective as a speech pathologist practicing on Kauai, continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Ms. Yatogo be reappointed to the Board of Speech Pathology and Audiology based on her experience, background, and dedication to public service.

SHANNON CHING

Your Committee received testimony in support of the nomination for the reappointment of Shannon Ching from the Department of Commerce and Consumer Affairs, District 50 Hawaii Lions Club, and one individual.

Upon review of the testimony, your Committee finds that Dr. Ching's knowledge, background, and proven experience on the Board of Speech Pathology and Audiology qualify him to be nominated for reappointment to the Board of Speech Pathology and Audiology as an audiologist member. Your Committee notes that Dr. Ching has over thirty-five years' experience as an audiologist and currently has two private audiology practices, in Honolulu and Hilo. Dr. Ching has also been extensively involved with the District 50 Hawaii Lions, Lions Clubs International, for many years, including previously serving as District Governor, and was instrumental in developing and implementing the statewide Lions Hearing Screening Program for elementary school children in 2008. Your Committee further finds that Dr. Ching previously served as the Chair of the Board of Speech Pathology and Audiology from 1989 through 1992 and has been a current member of the Board since 2015 and the insight he offers, based on his many years of experience as an audiologist, continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Dr. Ching be reappointed to the Board of Speech Pathology and Audiology based on his experience, knowledge, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3834 Housing on Gov. Msg. Nos. 598, 599, and 600

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

G.M. No. 598 MILO SPINDT, for a term to expire 06-30-2022;

G.M. No. 599 MELVIN KAHELE, for a term to expire 06-30-2022; and

G.M. No. 600 GEORGE ATTA, for a term to expire 06-30-2020

Your Committee reviewed the personal histories, resumes, and statements submitted by Milo Spindt, Melvin Kahele, and George Atta for service on the Board of Directors of the Hawaii Housing Finance and Development Corporation.

MILO SPINDT

Your Committee received testimony in support of the nomination for the reappointment of Milo Spindt from the Board of Directors of the Hawaii Housing Finance and Development Corporation and one individual. Your Committee received testimony in opposition to the nomination for the reappointment of Milo Spindt from one individual.

Upon review of the testimony, your Committee finds that Mr. Spindt's experience as a real estate salesperson, real estate broker, and property manager, commitment to public service, and proven leadership qualify him to be nominated for reappointment to the Board of Directors of the Hawaii Housing Finance and Development Corporation as a public member representing the County of Kauai. Your Committee notes that Mr. Spindt has seventeen years of experience as a real estate salesperson, property manager, and real estate broker in Hawaii, Nevada, and Washington. He currently serves full-time as a Real Estate Broker and Property Manager and part-time as an Emergency Medical Technician for American Medical Response Hawaii. He also has previous work experience as a Kauai District Land Agent for the Department of Land and Natural Resources and Founder and President of Housing For All, Inc. Mr. Spindt has demonstrated his willingness to serve the public through his past involvement in the Spokane Association of REALTORS, Nevada Association of REALTORS, Reno-Sparks Association of REALTORS, and Kauai Board of REALTORS.

Your Committee further notes that if appointed for another term on the Board of Directors of the Hawaii Housing Finance and Development Corporation, Mr. Spindt's goal is to help increase the total output of affordable housing units on Kauai and throughout the State by effective fiscal and policy management. Specifically, the nominee indicated in his personal statement that he would like to see the Hawaii Housing Finance and Development Corporation expand its role in off-site infrastructure projects that support affordable housing developments. Testimony received in support of the nominee indicate that Mr. Spindt's is well versed in the County of Kauai's land use issues and housing needs.

MELVIN KAHELE

Your Committee received testimony in support of the nomination for the reappointment of Melvin Kahele from the Board of Directors of the Hawaii Housing Finance and Development Corporation and one individual. Your Committee received testimony in opposition to the nomination for the reappointment of Melvin Kahele from one individual.

Upon review of the testimony, your Committee finds that Mr. Kahele's extensive experience in the construction industry, commitment to public service, and proven leadership qualify him to be nominated for reappointment to the Board of Directors of the Hawaii Housing Finance and Development Corporation as a public member. Your Committee notes that Mr. Kahele previously served as a legislative lobbyist for the Ironworkers Union, Local 625, Stabilization Fund and served as President for the Teamsters Union, Local 996, handling many complex contract negotiations.

Your Committee further notes the testimony received in support of the nominee that his extensive experience with the construction industry and his affiliation with the Ironworkers Union, Local 625 and the International Brotherhood of Teamsters, Local 996, will continue to provide the Board of Directors of the Hawaii Housing Finance and Development Corporation with a valuable housing development resource if appointed to a second term.

GEORGE ATTA

Your Committee received testimony in support of the nomination for the appointment of George Atta from the Board of Directors of the Hawaii Housing Finance and Development Corporation, Pūlama Lāna'i, and two individuals.

Upon review of the testimony, your Committee finds that Mr. Atta's extensive professional experience in urban and regional planning with public agencies and as a planning consultant, commitment to public service, and proven leadership qualify him to be nominated for appointment to the Board of Directors of the Hawaii Housing Finance and Development Corporation as a public member representing the City and County of Honolulu. Your Committee notes that Mr. Atta previously served as the Director of the Department of Planning and Permitting of the City and County of Honolulu where he provided leadership, administration, and management of a county department consisting of three hundred employees in areas relating to long-range planning; building and construction; traffic and engineering; land use and development; and commercial and residential enforcement. Prior to his service with the City and County of Honolulu, he served as the Principal, Partner, and Project Manager for Group 70, now known as G70. Mr. Atta has extensive involvement and leadership experience with various professional organizations, including the American Institute of Certified Planners, the Hawaii Chapter of the United States Green Building Council, and Hawaii Association of Environmental Professionals; and community activities, including the University of Hawaii's Sea Grant Advisory Panel, the Pa'i Foundation, and the TARO Center.

Your Committee further notes that if appointed to serve on the Board of Directors of the Hawaii Housing Finance and Development Corporation, Mr. Atta has goals to simplify the rules and work on financing so that more developers can provide affordable housing, and encourage the county planning departments and the Hawaii Housing Finance and Development Corporation to work together to reduce the number of regulations required for permits to facilitate the development of affordable housing. Testimony received in support of the nominee indicate that Mr. Atta's depth of experience and expertise will be valuable assets for the Board of Directors as the Hawaii Housing Finance and Development Corporation continues its mission to facilitate and expedite the development of affordable housing statewide.

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 (Harimoto).

SCRep. 3835 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 649, 697, and 698

Recommending that the Senate advise and consent to the nominations of the following:

STATE BOARD OF PUBLIC ACCOUNTANCY

- G.M. No. 649 GARY MIYASHIRO, for a term to expire 06-30-2022;
- G.M. No. 697 EDWARD PUNUA, for a term to expire 06-30-2022; and
- G.M. No. 698 CHRISTOPHER LEE, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Gary Miyashiro, Edward Punua, and Christopher Lee for service on the State Board of Public Accountancy.

GARY MIYASHIRO

Your Committee received testimony in support of the nomination for the reappointment of Gary Miyashiro from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Mr. Miyashiro's background, knowledge, and proven experience on the State Board of Public Accountancy qualify him to be nominated for reappointment to the State Board of Public Accountancy as a licensed and actively practicing Certified Public Accountant member. Your Committee notes that Mr. Miyashiro has been a licensed Certified Public Accountant for nearly twenty-five years, has practiced in the public and private sectors, and is currently the President of MC Group Hawaii, Inc., a local public accounting firm. Mr. Miyashiro is also a member of several professional organizations, including the Hawaii Association of Public Accounts and Hawaii Society of Certified Public Accountants, and is involved in his community, including volunteering with the Hawaii United Okinawan Association and 'Iolani School. Your Committee further finds that Mr. Miyashiro has been a member of the State Board of Public Accountancy since 2016 and the insight he offers, based on his many years of experience as a Certified Public Accountant, continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Miyashiro be reappointed to the State Board of Public Accountancy based on his knowledge, experience, and commitment to public service.

EDWARD PUNUA

Your Committee received testimony in support of the nomination for the reappointment of Edward Punua from the Department of Commerce and Consumer Affairs, Hawaii Society of Certified Public Accountants, and three individuals.

Upon review of the testimony, your Committee finds that Mr. Punua's knowledge, background, and proven experience on the State Board of Public Accountancy qualify him to be nominated for reappointment to the State Board of Public Accountancy as a licensed and actively practicing Certified Public Accountant member. Your Committee notes that Mr. Punua has been licensed as a Certified

Public Accountant since 1998 and is the owner and principal employee of his firm, Edward L. Punua, CPA Inc., in Lihue, Kauai. Mr. Punua is also an active member of the Hawaii Society of Certified Public Accountants, where he served on the Board of Directors from 2004 through 2010 and acted as the liaison between Oahu and Kauai's certified public accountants and students in the accounting profession. Your Committee further finds that Mr. Punua has been a member of the State Board of Public Accountancy since 2014, currently serves as the Chair of the Board's Uniform CPA Examination Committee, and his perspective as a neighbor island Certified Public Accountant continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Punua be reappointed to the State Board of Public Accountancy based on his experience, knowledge, and dedication to serving the community.

CHRISTOPHER LEE

Your Committee received testimony in support of the nomination for the appointment of Christopher Lee from the Department of Commerce and Consumer Affairs; Aloha State Services, Ltd.; and one individual.

Upon review of the testimony, your Committee finds that Mr. Lee's background, experience, and commitment to public service qualify him to be nominated for appointment to the State Board of Public Accountancy as a licensed and actively practicing Certified Public Accountant member. Your Committee notes that Mr. Lee has nearly twenty years of experience in accounting, has been licensed as a Certified Public Accountant in Hawaii since 2003, and is currently a partner at ECA, LLP, a Certified Public Accounting Firm in Honolulu. Mr. Lee is a member of his professional organizations, the American Institute of Certified Public Accountants and Hawaii Society of Certified Public Accountants, and has had the opportunity to mentor other public accounting professionals, an experience that will be beneficial to his service on the State Board of Public Accountancy. Mr. Lee is also active in his community, including serving as Treasurer on the Executive Committee for Aloha Festivals, Inc. Your Committee further finds that Mr. Lee has a thorough understanding of the role and responsibilities of board members and therefore recommends that Mr. Lee be appointed to the State Board of Public Accountancy based on his knowledge, background, and dedication 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, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3836 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 681, 682, and 683

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF PROFESSIONAL ENGINEERS, ARCHITECTS, SURVEYORS, AND LANDSCAPE ARCHITECTS

- G.M. No. 681 RON IWAMOTO, for a term to expire 06-30-2022;
- G.M. No. 682 BRIAN FUJIWARA, for a term to expire 06-30-2022; and
- G.M. No. 683 BENEDICT LEE, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Ron Iwamoto, Brian Fujiwara, and Benedict Lee for service on the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects.

RON IWAMOTO

Your Committee received testimony in support of the nomination for the reappointment of Ron Iwamoto from the Department of Commerce and Consumer Affairs; Katayama & Associates, Inc.; and one individual.

Upon review of the testimony, your Committee finds that Mr. Iwamoto's background, experience, and proven leadership on the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects qualify him to be nominated for reappointment to the Board as a professional engineer member. Your Committee notes that Mr. Iwamoto has been a licensed professional structural engineer since 1996 and is the owner and principal of Iwamoto & Associates, LLC, a consulting structural engineering firm he founded in 2002. Mr. Iwamoto is active in his community and in several professional organizations, including serving as past President for the Structural Engineers Association of Hawaii and the Hawaii Section of the American Society of Civil Engineers. Mr. Iwamoto was also selected as the 2018 Engineer of the Year by the Hawaii Council of Engineering Societies for his dedication, leadership, and contributions to the engineering profession. Your Committee further finds that Mr. Iwamoto has been a member of the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects since October 2014, currently serves as the Board's Chair, and the insights he has gained throughout his career as a structural engineer continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Iwamoto be reappointed to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects based on his knowledge, background, and commitment to public service.

BRIAN FUJIWARA

Your Committee received testimony in support of the nomination for the appointment of Brian Fujiwara from the Department of Commerce and Consumer Affairs, Palekana Permitting and Planning, and three individuals.

Upon review of the testimony, your Committee finds that Mr. Fujiwara's experience, background, and dedication to serving his community qualify him to be nominated for appointment to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects as an architect member. Your Committee notes that Mr. Fujiwara has over thirty years of experience in the field of architecture, has been a licensed architect in Hawaii since 2000, and has worked on a variety of commercial and residential projects. Mr. Fujiwara has continuously advanced in his career, progressing from draftsman to Owner and Principal of his architectural firm, BKF & Associates, LLC, in Honolulu, which he founded in 2003. Mr. Fujiwara is also active in his profession and is a member of the American Institute of Architects, Honolulu Chapter. Your Committee further finds that Mr. Fujiwara has a thorough understanding of

the role and responsibilities of board members and his professional experience in the field of architecture will be a valuable addition to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects. Your Committee therefore recommends that Mr. Fujiwara be appointed to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects based on his background, knowledge, and desire to contribute to his community.

BENEDICT LEE

Your Committee received testimony in support of the nomination for the reappointment of Benedict Lee from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Mr. Lee's background, knowledge, and proven experience on the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects qualify him to be nominated for reappointment to the Board as a landscape architect member. Your Committee notes that Mr. Lee has been a landscape architect for thirty-five years and has been the Principal at his firm, Brownlie & Lee, for the past twenty-eight years. Mr. Lee has also been involved in a wide range of residential, commercial, and recreational projects in the public and private sectors over his career; is registered as a landscape architect in Hawaii, Guam, and the Commonwealth of the Northern Mariana Islands; is a certified arborist; and is a Leadership in Energy and Environmental Design accredited professional. Your Committee further finds that Mr. Lee has been a member of the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects since February 2016 and his extensive experience as a landscape architect continues to be an asset to the Board. Your Committee therefore recommends that Mr. Lee be reappointed to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects based on his experience, background, and dedication to public service.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and Health that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3837 Water and Land on Gov. Msg. No. 730

Recommending that the Senate advise and consent to the nomination of the following:

KANE'OHE BAY REGIONAL COUNCIL

G.M. No. 730 JEFFREY KALUHIWA, for a term to expire 06-30-2020

Your Committee reviewed the personal history, resume, and statement submitted by Jeffrey Kaluhiwa for service on the Kāne'ōhe Bay Regional Council.

Your Committee received testimony in support of the nomination for the appointment of Jeffrey Kaluhiwa from the Department of Land and Natural Resources, Office of Hawaiian Affairs, Aha Moku Advisory Committee, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Ko'olau Foundation, and Ko'olaupoko Hawaiian Civic Club.

Upon review of the testimony, your Committee finds that Mr. Kaluhiwa's experience in the traditional Native Hawaiian land management system demonstrated by his decade of work within the ahupua'a of He'eia, commitment to public service, and proven leadership qualify him to be nominated for appointment to the Kāne'ōhe Bay Regional Council as a member representing the Kāne'ōhe Bay Recreational Boating Association. Your Committee notes that Mr. Kaluhiwa is an extremely knowledgeable cultural practitioner who has lived his entire life in and around Kāne'ōhe Bay. With deep family and personal ties to Ko'olaupoko and the He'eia ahupua'a, he has a vested interest in the proper management and care of the lands and waters of Ko'olaupoko, including Kāne'ōhe Bay and its resources. As an expert fisherman (lawai'a), he knows the seasons, currents, tides, species, and other components that balance Kāne'ōhe Bay.

Your Committee further notes that if appointed to serve as a member of the Kāne'ōhe Bay Regional Council, Mr. Kaluhiwa indicated in his personal statement that he would pursue the issue of better monitoring heavy use of Ahu O Laka, commonly referred to as the Sandbar, during three-day weekends as well as illegal boating and kayak business activities that may be contrary to the design and purpose of the Kāne'ōhe Bay master plan. Testimony in support of the nominee indicate that his last decade of work within the ahupua'a of He'eia demonstrates an appreciation for and dedication to the perpetuation of Native Hawaiian traditional and customary practices in the contemporary context of sustainable resource management. The knowledge and experience he has gained from his professional work and from his kūpuna and family members make Mr. Kaluhiwa uniquely suited to serve on the Kāne'ōhe Bay Regional Council.

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, 3. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 3838 Water and Land on Gov. Msg. No. 729

Recommending that the Senate advise and consent to the nomination of the following:

LAND USE COMMISSION

G.M. No. 729 EDMUND ACZON, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Edmund Aczon for service on the Land Use Commission.

Your Committee received testimony in support of the nomination for the reappointment of Edmund Aczon from the Agribusiness Development Corporation, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawai'i Farm Bureau, Filipina Advocacy Network, and ten individuals.

Upon review of the testimony, your Committee finds that Mr. Aczon's experience in the construction industry, commitment to public service, and proven leadership qualify him to be nominated for reappointment to the Land Use Commission as a member representing the City and County of Honolulu. Your Committee notes that Mr. Aczon currently serves as the Community Relations Director and Manpower Specialist for the Hawaii Regional Council of Carpenters. He previously served as a Field Representative for the Office of the late United States Senator Daniel K. Inouye and also served as a general contractor for Aczon Construction, Ltd., and the Hawaiian Dredging Construction Company. He has extensive involvement and demonstrated leadership in various building industry associations, including the Building Industry Association of Hawaii, National Association of Homebuilders, and Hawaii Construction Industry Association. He also has extensive community activity involvement with Damien Memorial School, the Hawaii 3Rs program, the Filipino Community Center, National Federation of Filipino Americans, and Filipino Chamber of Commerce of Hawaii.

Your Committee further notes that during his first term on the Land Use Commission, Mr. Aczon served as the Chairperson of the Commission for two consecutive years and the Commission focused on transparency by revising their rules and upgrading the computer system. If appointed to serve for a second term, Mr. Aczon hopes to bring more discussion on smart growth, a balance between needs for housing and jobs, and the need to establish sustainability in Hawaii through conservation and protection of its precious, but limited resources. Mr. Aczon noted in his personal statement that in light of the Bridge 'Aina Le'a case, he believes that the Land Use Commission should take a look at its enforcement powers and how the Commission can be part of the solution to affordable housing, sustainability, and sea level rise issues. Due to Mr. Aczon's extensive experience in the construction industry, he is well versed in land use rules, policies, and procedures and understands important community and government issues included in the land use process, and will continue to fill a valuable niche on the Commission.

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, 3. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 3839 Judiciary on Jud. Com. No. 6

Recommending that the Senate consent to the appointment of the following:

DISTRICT COURT OF THE SECOND CIRCUIT

J.C. No. 6 KIRSTIN M. HAMMAN, for a term to expire in 6 years

Your Committee reviewed the personal history, resume, and statement submitted by Kirstin M. Hamman for service on the District Court of the Second Circuit, State of Hawaii.

Your Committee received testimony in support of the appointment of Kirstin M. Hamman from Hawaii Women Lawyers, two members of the County Council of the County of Maui, and five individuals. Your Committee received comments on the appointment of Kirstin M. Hamman from the Hawaii State Bar Association.

The Hawaii State Bar Association Board of Directors (HSBA Board) found the appointee to be qualified for the position of District Court Judge, Second Circuit Court, based on established criteria for determining the qualifications of judicial and executive appointments generally utilizing the American Bar Association Guidelines for Reviewing Qualifications of Candidates for State Judicial Office. Those Guidelines include the following criteria, which are not exclusive: integrity and diligence, legal knowledge and ability, professional experience, judicial temperament, financial responsibility, public service, health, and ability to fulfill the responsibilities and duties required of the position for which the applicant has been appointed. The HSBA Board ratings system includes the categories of "qualified" and "not qualified".

Kirstin M. Hamman received her Bachelor of Arts from the University of Hawaii West Oahu and was on the Dean's List. She later received her Doctorate of Jurisprudence from the William S. Richardson School of Law where she was part of the National Moot Court Team and served as a law clerk with the Hawaii Civil Rights Commission. Since 2014, she has served as a per diem District Court Judge in the District Court of the Second Circuit while continuing her private practice as a solo practitioner.

Ms. Hamman has been a solo practitioner since 2013, and has practiced primarily in the areas of family law and special education law. She has litigated divorce, custody, and paternity matters in Family Court, and has litigated administrative due process hearings and federal court appeals under the Individuals with Disabilities Education Act, Section 504 of the Rehabilitation Act, and Americans with Disabilities Act. As a per diem District Court Judge, Ms. Hamman has presided over district court traffic, criminal, and civil calendars. Ms. Hamman has also served as a Legislative Attorney in the Office of Council Services of Maui County, where she assisted the County Council, the Council's committees, and Council members to carry out their legislative duties; conducted legal research and writing; and reviewed and drafted legislation, contracts, committee reports, press releases, speeches, and other Council member correspondence.

Ms. Hamman has been actively involved in the legal community throughout her career, including as the secretary of the Maui County Bar Association and as a member of the Council of Parent Attorneys and Advocates. In addition, she has served as a member of the Board of Horizons' Academy of Maui.

Testimony submitted in support of Ms. Hamman's appointment commends her professionalism, expertise, and deep foundation of knowledge in her role as a legislative attorney, as well as her involvement in public service. She has been active in the community throughout her career, and has served on the Maui County Commission on Children and Youth since 2016. Several testifiers additionally noted her compassion and fairness in her service as a per diem judge.

Your Committee finds that based on the testimony submitted on her behalf, Ms. Hamman has the experience, temperament, judiciousness, and other competencies to serve as a Judge of the District Court of the Second Circuit.

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 appointee, has found the appointee to be qualified for the position to which appointed and recommends that the Senate consent to the appointment.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3840 Higher Education on Gov. Msg. Nos. 718, 719, and 737

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII COMMISSION FOR NATIONAL AND COMMUNITY SERVICE

G.M. No. 718 KAI DUPONTE, for a term to expire 06-30-2019;

G.M. No. 719 JANICE BOND, for a term to expire 06-30-2020; and

G.M. No. 737 CLAUDE ONIZUKA, for a term to expire 06-30-2019

Your Committee reviewed the personal histories, resumes, and statements submitted by Kai Duponte, Janice Bond, and Claude Onizuka for service on the Hawaii Commission for National and Community Service.

KAI DUPONTE

Your Committee received testimony in support of the nomination for the reappointment of Kai Duponte from one individual.

Upon review of the testimony, your Committee finds that Ms. Duponte has served as a Practicum Coordinator and Project Director of the Hawai'i Child Welfare Education Collaboration Project for the University of Hawai'i Myron B. Thompson School of Social Work. Ms. Duponte has also previously served at Liberty Dialysis and as a Residential Services Division Administrator with Catholic Charities Family Services. Ms. Duponte has been an active member of her community, volunteering her time with the Project Kealahou Governing Council, Aloha United Way, Multiple Sclerosis Society, and Hospice Hawaii. According to the testimony, Ms. Duponte is a very valuable leader in supporting community service and volunteerism in Hawaii. In her personal statement, Ms. Duponte indicated that she believes contributing to the community is very important and hopes to continue to assist in securing adequate funding for the support programs and ensuring that adequate support is available for grantees. Your Committee therefore finds that Ms. Duponte's professional experience in social work, as well as her commitment to community service, will continue to be great assets to the Hawai'i Commission for National and Community Service.

JANICE BOND

Your Committee received testimony in support of the nomination for the reappointment of Janice Bond from four individuals.

Upon review of the testimony, your Committee finds that Ms. Bond is a retired teacher who has previously taught at Kapaa and Kauai High Schools. Since her retirement, Ms. Bond has been an active member of her community, serving as an AARP and American Cancer Society Cancer Action Network legislative advocate and being involved with the Agency on Elderly Affairs, Tobacco Trust Fund Advisory Board, Kauai March of Dimes, American Cancer Society, East Kauai Lions Club, and Visitor Aloha Society Kauai. According to the testimony, Ms. Bond is a dedicated educator and community volunteer who is willing to participate in all community efforts and has dedicated her life to the advancement of others' personal and professional development. In her personal statement, Ms. Bond indicated that her reliability, dependability, and responsiveness will continue to benefit the Hawai'i Commission for National and Community Service and she hopes to continue using her expertise in granting funds to various organizations. Therefore your Committee finds that Ms. Bond's willingness to serve, as well as her extensive experience in community volunteerism, will continue to be great assets to the Hawai'i Commission for National and Community Service.

CLAUDE ONIZUKA

Your Committee received testimony in support of the nomination for the reappointment of Claude Onizuka from one individual.

Upon review of the testimony, your Committee finds that Mr. Onizuka is retired after thirty-four years in banking and eight years in community relations, having previously served as the Branch Manager for Kona Community Federal Credit Union, Owner and President of Kona International Travel Service, and Vice President and Branch Manager at American Savings Bank. Mr. Onizuka is also a veteran of the Vietnam War and served in the United States Army and Hawaii National Guard. Mr. Onizuka has been highly active in a number of community organizations and is the President of the Astronaut Ellison S. Onizuka Memorial Committee and Director of the Astronaut Ellison S. Onizuka Memorial Committee, Los Angeles. According to the testimony, Mr. Onizuka is a valuable leader in supporting community service and volunteerism in Hawaii. In his personal statement, Mr. Onizuka indicated that he hopes to continue to be involved in acquiring and distributing funding to qualified organizations for the benefit of the people of Hawaii. Your Committee therefore finds that Mr. Onizuka's professional experience, as well as his willingness to serve, will continue to be great assets to the Hawai'i Commission for National and Community Service.

As affirmed by the records of votes of the members of your Committee on Higher Education that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Kim).

SCRep. 3841 Judiciary on H.C.R. No. 59

The purpose and intent of this measure is to express support for the proposed Adoptee Citizenship Act of 2018, H.R. 5233; S. 2522.

Your Committee received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Your Committee finds that the Child Citizenship Act of 2000 allows foreign-born, adopted children of American citizens to acquire American citizenship automatically. Despite having been legally adopted by American citizens and having been raised in the United States, adoptees who were eighteen years of age or older on the effective date of the Child Citizenship Act of 2000 did not automatically acquire American citizenship. The Adoptee Citizenship Act of 2018, currently pending in Congress, will provide American citizenship for these adoptees.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 59, H.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Gabbard, Kim).

SCRep. 3842 Judiciary on H.C.R. No. 214

The purpose and intent of this measure is to recognize the thirty-day period from the last Saturday in September to the last Sunday in October as Malama Pu'uloa Month.

Your Committee received testimony in support of this measure from Hui O Ho'ohonua, O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, and one individual.

Your Committee finds that Pu'uloa is the native Hawaiian name for the area that includes present-day Pearl Harbor. The oldest human settlements on O'ahu are in the Pu'uloa area, and many sites within Pu'uloa hold great significance in Hawaiian history and culture. This measure acknowledges the importance of Pu'uloa to the people, history, and culture of Hawaii by recognizing the period from the last Saturday in September to the last Sunday in October as Malama Pu'uloa Month.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 214, H.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Gabbard, Kim).

SCRep. 3843 Water and Land on Gov. Msg. No. 728

Recommending that the Senate advise and consent to the nomination of the following:

LAND USE COMMISSION

G.M. No. 728 AARON MAHI, for a term to expire 06-30-2022 (term to expire amended to 11-21-2021 by GM757)

Your Committee reviewed the personal history, resume, and statement submitted by Aaron Mahi for service on the Land Use Commission.

Your Committee received testimony in support of the nomination for the reappointment of Aaron Mahi from the Land Use Commission, Hawaiian Civic Club of Honolulu, Ko'olau Foundation, Ko'olaupoko Hawaiian Civic Club, and three individuals.

Upon review of the testimony, your Committee finds that Mr. Mahi's background in Hawaiian culture, commitment to public service, and proven leadership qualify him to be nominated for reappointment to the Land Use Commission as a member with substantial experience or expertise in traditional Hawaiian land usage and knowledge of cultural land practices. Your Committee notes that Mr. Mahi currently serves as the Cultural Specialist for the Mālama 'Āina Foundation where he provides information and guidance to staff regarding Hawaiian cultural values and practices in the development of the Foundation's materials and activities. He also currently serves as an Assistant Cultural Specialist for the Partners in Development Foundation where he assists the Head Cultural Specialist in assignments that apply folk practices and the value system of the Hawaiian culture. Most notably, Mr. Mahi previously served as the Bandmaster for the Royal Hawaiian Band of the City and County of Honolulu where he coordinated and conducted an average of three hundred performances and appearances worldwide and managed a \$2,500,000 budget and a staff of sixty. He also has extensive community involvement, including serving as the President of the Ko'olau Foundation, Second Vice President of the Ko'olaupoko Hawaiian Civic Club, and Senior Pastor for the Makiki Community of Christ Church.

Your Committee further notes that Mr. Mahi indicated in his personal statement that if appointed for a second term, he hopes to continue to include cultural awareness in the decision making process of the Land Use Commission. He further indicated his passion to protect the State's agricultural and preservation lands by ensuring that these lands are provided the highest priority of preservation. Testimony received in support of the nominee indicates that he is a Hawaiian cultural resource who has proven himself during his tenure on the Land Use Commission as a concerned advocate for the protection of cultural resources who possesses an understanding of the State's housing shortage and its economic impact on less fortunate members of the community. His broad knowledge of the Hawaiian culture will continue to fill a valuable niche on the Land Use Commission.

Lastly, your Committee notes that Governor's Message No. 757 amends the nomination for reappointment of Mr. Mahi by changing the term to expire on November 21, 2021, rather than on June 30, 2022, to meet any restrictions under the law.

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, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3844 Water and Land on Gov. Msg. No. 705

Recommending that the Senate advise and consent to the nomination of the following:

GAME MANAGEMENT ADVISORY COMMISSION

G.M. No. 705 STANLEY RUIDAS, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Stanley Ruidas for service on the Game Management Advisory Commission.

Your Committee received testimony in support of the nomination for the reappointment of Stanley Ruidas from the Department of Land and Natural Resources and Pūlama Lānaʻi.

Upon review of the testimony, your Committee finds that Mr. Ruidas' experience as an avid hunter, commitment to public service, and proven leadership qualify him to be nominated for reappointment to the Game Management Advisory Commission as a member from the Island of Lānaʻi. Your Committee notes that Mr. Ruidas is an active licensed hunter who serves on the Lānaʻi Hunter's Focus Group, which assists landowners, Pūlama Lānaʻi, and the Department of Land and Natural Resources in the management of game management areas on the island. He has also served on the Lānaʻi Community Plan Advisory Committee and the Lānaʻi Planning Commission.

Your Committee further notes that as a member of the Game Management Advisory Commission, Mr. Ruidas was involved in addressing the issue of the aerial eradication of goats in the Waianae Mountain Range, and worked with the Division of Forestry and Wildlife of the Department of Land and Natural Resources to temporarily halt the aerial eradication and bridge a gap between the Division and hunters. If appointed to serve a second term on the Commission, Mr. Ruidas indicated in his personal statement that he would like to work on completing a game management plan on Lānaʻi to enable Pūlama Lānaʻi to enter into another term lease agreement with the State and prevent losing 30,000 acres of hunting land. Testimony received in support of the nominee indicates that he has extensive knowledge and experience in hunting, which will continue to be a valuable asset to the Commission.

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, 4. Noes, none. Excused, 1 (Gabbard).

SCRep. 3845 Water and Land on Gov. Msg. No. 727

Recommending that the Senate advise and consent to the nomination of the following:

LAND USE COMMISSION

G.M. No. 727 ARNOLD WONG, for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by Arnold Wong for service on the Land Use Commission.

Your Committee received testimony in support of the nomination for the reappointment of Arnold Wong from the Land Use Commission; International Union of Painters and Allied Trades, District Council 50; Retail Merchants of Hawaii; Hawaii State AFL-CIO; and three individuals.

Upon review of the testimony, your Committee finds that Mr. Wong's experience in the public and private sectors, commitment to public service, and proven leadership qualify him to be nominated for reappointment to the Land Use Commission as an at-large member. Your Committee notes that Mr. Wong currently serves as the Director of Government Affairs for the Ironworkers Union Stabilization Fund, Local 625. He previously served as the Government Grants Manager for The Nature Conservancy, Executive Director of the Juvenile Justice Center of the City and County of Honolulu, and Homeless Coordinator for the City and County of Honolulu. He has extensive involvement and demonstrated leadership in industry organizations and community activities, including serving as a Trustee of the Ironworkers Union Stabilization Fund, former Vice-Chairperson of the Honolulu Fire Commission, board member of the St. Francis Healthcare Foundation of Hawaii, and Head Coach of the Pac-5 Judo Team.

Your Committee further notes that Mr. Wong serves as the Chairperson of the Land Use Commission and has instituted an educational program every quarter, on different issues that affected the Commission. In his personal statement, Mr. Wong indicated his pleasure to be part of a Commission that voted on specific parcels to be designated as important agricultural lands. If appointed to serve a second term, Mr. Wong stated that he would like to create an enforcement process that is more flexible than the Commission's current option, which is to revert the land back to its original designation; establish a training program for new Commission members regarding legislation; and further facilitate the designation of more lands as important agricultural lands. Testimony submitted in support of the nominee indicates that Mr. Wong has proven himself to be an invaluable member of the Land Use Commission. He has shown leadership and a high level of understanding with regard to the key legal and economic issues facing the Commission, and is considered a balanced and effective decision-maker. His diverse background as a union representative and his work for The Nature Conservancy give him a unique perspective.

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, 3. Noes, none. Excused, 2 (Gabbard, Inouye).

SCRep. 3846 Higher Education on Gov. Msg. Nos. 735 and 736

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII

G.M. No. 735 EUGENE BAL III, for a term to expire 06-30-2023; and

G.M. No. 736 RANDOLPH MOORE, for a term to expire 06-30-2023

Your Committee reviewed the personal histories, resumes, and statements submitted by Eugene Bal III and Randolph Moore for service on the Board of Regents of the University of Hawai'i.

EUGENE BAL III

Your Committee received testimony in support of the nomination for the reappointment of Eugene Bal III from the Research Corporation of the University of Hawai'i and numerous individuals.

Your Committee finds that Mr. Bal has had an extensive professional career, having previously served as the Executive Director of the Maui High Performance Computing Center, where he was responsible for all operational, technical, and administrative functions in support of the Research and Development and Test and Evaluation mission of the Department of Defense, and in various leadership roles in the United States Navy. Mr. Bal is highly active in the community and has used his knowledge for the betterment of the community by volunteering his time serving on the Governor's Economic Revitalization Task Force, State of Hawai'i Workforce Development Council, Hawai'i Community Foundation Board of Governors, Maui County Small Business Advisory Council, and the Maui Economic Development Board, among others. According to the testimony, Mr. Bal possesses a deep understanding of the issues and complexities associated with the research enterprise, which is an extremely valuable asset to the University of Hawai'i System in achieving national and international recognition. In his personal statement, Mr. Bal indicated that he is analytical and a practitioner of equity who exercises even-handed judgment, seeks input from appropriate sources, and is unafraid to make difficult decisions. Your Committee therefore finds that Mr. Bal's wealth of experience in research and work with federal agencies, the private sector, and local communities will continue to be great assets to the Board of Regents of the University of Hawai'i and its mission.

RANDOLPH MOORE

Your Committee received testimony in support of the nomination for the reappointment of Randolph Moore from the Research Corporation of the University of Hawai'i and several individuals.

Your Committee finds that Mr. Moore has had an extensive career in business, serving at Castle & Cooke, Inc., as a Financial Analyst, Treasurer, Group Controller for Real Estate, Senior Vice President, Executive Vice President, and President of Oceanic Properties. Mr. Moore has also served as the President of Molokai Ranch and Chief Executive Officer of Kaneohe Ranch. After retiring from the business world, Mr. Moore became a teacher at Central Middle School and served as the Assistant Superintendent of the Office of School Facilities and Support Services for the Department of Education. Mr. Moore is highly active in the community, having served as the Chairperson of the Hawai'i Budget and Policy Center Advisory Board and Chairperson of the Hawai'i Housing Development Corporation. Mr. Moore has also been involved with Aloha United Way, Harold K.L. Castle Foundation, and Hawai'i Community Services Council, among others. According to the testimony, Mr. Moore possesses a wealth of knowledge in valuable areas, such as education, land use and real estate, governance, and budgeting and financial management. In his personal statement, Mr. Moore shared his vision for the University of Hawai'i System as a vibrant, multi-campus university system comprised of a nationally recognized research university and regional baccalaureate institutions and community colleges that provide solid education opportunities. Your Committee therefore finds that Mr. Moore's professional background and leadership experience will continue to be great assets to the Board of Regents of the University of Hawai'i and its mission.

As affirmed by the records of votes of the members of your Committee on Higher Education that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3847 Economic Development, Tourism, and Technology on Gov. Msg. Nos. 746, 747, 748, 749, 751, and 752

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE HAWAII TOURISM AUTHORITY

G.M. No. 746 MICAH ALAMEDA, for a term to expire 06-30-2022;

G.M. No. 747 DAVID ARAKAWA, for a term to expire 06-30-2020;

G.M. No. 748 BENJAMIN RAFTER, for a term to expire 06-30-2022;

G.M. No. 749 FRED ATKINS, for a term to expire 06-30-2022;

G.M. No. 751 RODNEY KAM, for a term to expire 06-30-2022; and

G.M. No. 752 KYOKO KIMURA, for a term to expire 06-30-2022

Your Committee reviewed the personal histories, resumes, and statements submitted by Micah Alameda, David Arakawa, Benjamin Rafter, Fred Atkins, Rodney Kam, and Kyoko Kimura for service on the Board of Directors of the Hawai'i Tourism Authority.

MICAH ALAMEDA

Your Committee received testimony in support of the nomination for the appointment of Micah Alameda from the Hawai'i Tourism Authority, GVS Accelerator, Young Democrats of Hawaii, and four individuals.

Upon review of the testimony, your Committee finds that Mr. Alameda's experience in government affairs and marketing and his dedication to the community qualify him for appointment to the Board of Directors of the Hawai'i Tourism Authority. Mr. Alameda has gained years of experience working in the government, having served as a Legislative Aide for the late Senator Gilbert Kahele and as the Committee Clerk for the Senate Committee on Tourism from 2012 to 2014. Mr. Alameda then moved back to the island of Hawaii where he gained more experience in government working as a Legislative Assistant for then-Councilmember Dennis Onishi.

Mr. Alameda now serves as the Marketing Manager for Na Leo TV, where he is responsible for developing, implementing, and executing the strategic marketing plan for Na Leo TV. Your Committee finds that Mr. Alameda's experience in marketing management and government affairs will make him a great asset for the Board of Directors of the Hawai'i Tourism Authority.

DAVID ARAKAWA

Your Committee received testimony in support of the nomination for the appointment of David Arakawa from the Department of Business, Economic Development, and Tourism; Hawai'i Tourism Authority; Hawai'i Farm Bureau Federation; Maui County Farm Bureau; Hawaii Laborers-Employers Cooperation and Education Trust; O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i; Ponoholo Ranch Limited; Hawaii Cattlemen's Council, Inc.; Historic Hawaii Foundation; General Contractors Association of Hawaii; Kyoya Management Company, Ltd.; Pacific Resource Partnership; and ten individuals. Your Committee received testimony in opposition to the nomination for the appointment of David Arakawa from one individual.

Upon review of the testimony, your Committee finds that Mr. Arakawa's extensive legal background, experience in land use planning, and dedication to serving the community qualify him for appointment to the Board of Directors of the Hawai'i Tourism Authority. Mr. Arakawa is the Executive Director of the Land Use Research Foundation of Hawaii, where he has been instrumental in conducting research to provide information to decision-makers that deal with government policy, legislation, and rules and regulations relating to affordable housing, agriculture, development impact fees, and other important subject matters.

Mr. Arakawa has served on numerous advisory committees and task force such as the Managing Capacity Work Group for the Hawai'i Tourism Strategic Plan 2015-2020, State Land Use Task Force, and the Governor's Affordable Housing Barriers Task Force. Your Committee finds that Mr. Arakawa will bring to the Board of Directors of the Hawai'i Tourism Authority an extensive legal background and experience serving on a variety of advisory committees and task forces.

BENJAMIN RAFTER

Your Committee received testimony in support of the nomination for the appointment of Benjamin Rafter from the Hawai'i Tourism Authority and Hawai'i Lodging and Tourism Association.

Upon review of the testimony, your Committee finds that Mr. Rafter's experience in hospitality and as an executive in hotel management qualify him for appointment to the Board of Directors of the Hawai'i Tourism Authority. Mr. Rafter has years of experience working in hotel management, specifically as the President and Chief Executive Officer of Aqua Hospitality. Under his leadership, Aqua Hospitality grew to twenty-nine properties, creating one of the largest success stories of hotel management in Hawaii, then merged with Aston Hotels and Resorts' parent company. During that time, Mr. Rafter assumed the dual role of President of Aston Hotels and Resorts and President and Chief Executive Officer of Aqua Hospitality and was responsible for thousands of employees and over \$400,000,000 of room revenues. Your Committee finds that with Mr. Rafter's proven leadership in an executive position in the hotel industry will make him a great asset to the Board of Directors of the Hawai'i Tourism Authority.

FRED ATKINS

Your Committee received testimony in support of the nomination for the reappointment of Fred Atkins from the Hawai'i Tourism Authority.

Upon review of the testimony, your Committee finds that Mr. Atkins's proven experience serving on the Board of Directors of the Hawai'i Tourism Authority and his dedication to the community qualify him to be reappointed to the Board. Mr. Atkins is a General Partner in Kauai Kilohana Partners, which renovated and manages the Kilohana Plantation Estate. He is the former President of Hale Kea Ranch, Ltd., a company created to develop the Rockefeller Estate at Hale Kea. Mr. Atkins is currently on the Board of Directors of the Hawai'i Tourism Authority, where he used his knowledge of Kauai to efficiently address community needs after the flooding in April of 2018. He has also served as a board member of Kauai Hoe Waa, the Hawaii Visitors and Convention Bureau, and the Kauai Visitors Bureau and currently serves on the YMCA Board of Directors. Your Committee finds that Mr. Atkins will continue to be instrumental to the Board due to his proven experience on the Board and his insights into the needs of Kauai communities.

RODNEY KAM

Your Committee received testimony in support of the nomination for the reappointment of Rodney Kam from the Department of Business, Economic Development, and Tourism and Hawai'i Tourism Authority.

Upon review of the testimony, your Committee finds that Mr. Kam's experience in working closely with visitors and residents and proven experience on the Board of Directors of the Hawai'i Tourism Authority qualify him for reappointment to the Board. Mr. Kam was the Ambassador of Aloha for Quiksilver, Inc. Mr. Kam's knowledge of retail business has allowed him to serve as the Vice President of Operations for Quiksilver Retail Americas and as Vice President of Business Development Hawaii for Quiksilver, Inc.

Mr. Kam is currently serving on the Board of Directors of the Hawai'i Tourism Authority, and also on the Waikiki Business Improvement District Association, and Waikiki Business Special Improvement District Association. During his tenure on the Board of Directors of the Hawai'i Tourism Authority, Mr. Kam made significant contributions to the Legislative and Government Affairs Investigative Committees to develop and streamline Hawaii's brand as represented by its people, place, and culture. Your Committee finds that Mr. Kam's dedication to supporting businesses in Hawaii and tourism will continue to make him a great asset for the Board of Directors of the Hawai'i Tourism Authority.

KYOKO KIMURA

Your Committee received testimony in support of the nomination for the appointment of Kyoko Kimura from the Department of Business, Economic Development, and Tourism; Hawai'i Tourism Authority; Hawai'i Lodging and Tourism Association; and three individuals.

Upon review of the testimony, your Committee finds that Ms. Kimura's experience as an international liaison with Hawaii's largest tourism partner and in hotel management qualify her for appointment to the Board of Directors of the Hawai'i Tourism Authority. Ms. Kimura is the Director of Owner Relations at Aqua-Aston Hospitality, LLC, and has experience working in executive positions in the hotel industry such as the former President and General Manager of the Diamond Resort Hawaii Corporation from 1992 to 2008 and as the current Managing Director of Beach Club Consulting Company, LLC.

Ms. Kimura previously served on the Board of Directors of the Hawai'i Tourism Authority from 2003 to 2011 and currently serves as a member on the Small Business Regulatory Review Board, Strategic Committee of the Hawai'i Tourism Authority, and as the Chair of the Airlift Committee of the Japan Hawaii Tourism Council. Your Committee finds that Ms. Kimura's years of experience in the hotel industry and dedication to the community will make her a great asset for the Board of Directors of the Hawai'i Tourism 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 (Galuteria).

SCRep. 3848 (Majority) Economic Development, Tourism, and Technology on Gov. Msg. No. 750

BOARD OF DIRECTORS OF THE HAWAII TOURISM AUTHORITY

G.M. No. 750 L. RICHARD FRIED, JR., for a term to expire 06-30-2022

Your Committee reviewed the personal history, resume, and statement submitted by L. Richard Fried, Jr., for service on the Board of Directors of the Hawai'i Tourism Authority.

Your Committee received testimony in support of the nomination for the reappointment of L. Richard Fried, Jr., from the Department of Business, Economic Development, and Tourism; Hawai'i Tourism Authority; and O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i.

Mr. Fried received his L.L.B. and Bachelor of Science degrees from the University of Arizona. He is a founding member of the law firm of Cronin, Fried, Sekiya, Kekina & Fairbanks. Mr. Fried is nationally known in the fields of medical malpractice and aviation law. He is an active participant and contributor to the Board of Directors of the Hawai'i Tourism Authority. Mr. Fried has brought to the Board his extensive legal experience and has been serving as its Chair since 2016.

Your Committee finds that the Board of Directors (Board) is the policy-making body of the Hawai'i Tourism Authority pursuant to chapter 201B, Hawaii Revised Statutes. The Board is responsible for the number one economic driver of the State and is dedicated to increasing the economic benefits of the tourism industry for visitors and residents by marketing Hawaii as a tourist destination, thereby benefiting the residents of Hawaii. Your Committee believes that the Hawai'i Tourism Authority has the unique responsibility to not only attract visitors from around the world, but also to work with other state agencies to address the growing concerns of residents, which include overuse of state resources such as beaches, trails, and parks, and illegal vacation rentals. As the number of visitors coming to Hawaii continues to grow, so do the concerns of residents.

Your Committee has reviewed the background information and testimony submitted and finds that Mr. Fried is a nationally recognized attorney who is very skilled in his field and that his legal knowledge has assisted the Board during his tenure. However, your Committee has serious concerns regarding the transparency of the Board under Mr. Fried's leadership and questions his openness to sharing information with the Legislature.

Your Committee notes that in Mr. Fried's written response to the questionnaire, Mr. Fried emphasized the importance of transparency and open discussion. However, your Committee finds that during Mr. Fried's tenure as the Chair of the Board, access to specific information regarding the budget of the Hawai'i Tourism Authority was denied under the premise that the President and Chief Executive Officer had the authority to deny access to proprietary information with the approval of the Board. It has come to your Committee's attention that the statement was indeed false and that other members of the Board had no knowledge of this action to deny the Legislature information. Your Committee further finds that the decision to withhold information on the budget was a unilateral decision of the Chair at the time.

While Mr. Fried has expressed his apologies for such action, your Committee notes that the practice of withholding information from the Legislature continued to proceed.

Upon receipt of the budget, your Committee has found that the budget was being used for purposes other than what is stated, such as using the Convention Center funds to pay for salaries and other expenses that are normally deemed as administrative expenses. The

President of the Hawai'i Tourism Authority stated that he had received a letter of approval from the Department of the Attorney General indicating that the use of Convention Center funds to pay for salaries and other administrative expenses was permitted. When asked to review the letter of approval, your Committee was once again denied access to the letter due to attorney-client privilege. It was not until an audit was conducted on the Authority that the attorney-client privilege was waived and the letter of approval was released to your Committee for review.

These actions are concerning to your Committee as the requested information is necessary for lawmakers to make well-informed decisions regarding the Authority and to address the plethora of concerns expressed by residents of Hawaii regarding the tourism industry.

Your Committee further notes the concern that in June of 2017, during a board meeting, Mr. Fried unilaterally decided to go into an executive session for over two hours to discuss the budget, when past practice had been to make such discussions open to the public. Your Committee finds it especially concerning that the decision to go into an executive session was a unilateral decision of the Chair, and no vote was taken by the other board members to approve the executive session. In an informal written opinion from the Office of Information Practices, it was determined that an executive session was not necessary as matters such as environmental issues, visitor impact alleviation, and matters affecting the Hawaiian culture were discussed and do not require an executive session.

Your Committee has concerns regarding whether Mr. Fried will be able to maintain a transparent and open leadership over the Board given his past practices to withhold information from the Legislature and use of executive sessions regarding the budget of the Authority. Members of your Committee have discussed with Mr. Fried the concerns of the public to find a solution to the growing problems arising out of the tourism industry and do not find Mr. Fried to be committed to addressing the issues stated by the public and the Legislature.

Due to the above concerns regarding Mr. Fried, it was the recommendation of the Chair of your Committee to not advise and consent to Mr. Fried's nomination to the Board. Upon taking the vote, members of your Committee were divided, with two ayes and two nays to not advise and consent to the nomination for the reappointment of Mr. Fried. This resulted in the recommendation not being adopted by your Committee; nevertheless, the nomination will move to the Senate floor for a final vote pursuant to Senate Rule 37.

Senate Rule 37 states, "[t]he standing committee to which a nomination . . . 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." While the recommendation to not advise and consent this nominee was not adopted by your Committee, pursuant to Senate Rule 37(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?"".

Signed by the Chair on behalf of the Committee.

Ayes, 2. Noes, 2 (Baker, Taniguchi). Excused, 1 (Galuteria).