

TWENTY-SECOND DAY

Wednesday, February 20, 2019

The Senate of the Thirtieth Legislature of the State of Hawai'i, Regular Session of 2019, convened at 11:35 a.m. with the President in the Chair.

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

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

At this time, Senator Keohokalole honored the Ko'olaupoko Hawaiian Civic Club and the Loo 'ohana, and presented the following remarks:

"Mr. President and colleagues, the Ko'olaupoko Hawaiian Civic Club was established in 1937. It brought together many families throughout the Windward Coast of O'ahu to celebrate and preserve our Hawaiian heritage. It is one of the largest civic clubs within the larger Association of Hawaiian Civic Clubs founded by Prince Kūhiō over a hundred years ago and the largest Hawaiian community organization in the windward district located primarily in the Kāne'ohe Bay region.

"The association honored the Ko'olaupoko Hawaiian Civic Club at its recent convention in November with the Prince Jonah Kūhiō Kalaniana'ole Award, considered the most prestigious award given to a civic club for its accomplishments and dedication to its mission to serve with pono in the advocacy for our community. The association also honored Clifford and Teri Loo of the Ko'olaupoko Civic Club with the 2018 Pualeilani Award, recognizing an outstanding civic club 'ohana. The Loos, among other things, devoted their time this year to help coordinate workdays for monthly cleaning of the Royal Mausoleum, known as Mauna 'Ala, with other O'ahu civic clubs. Today, we honor their hard work, dedication, and tireless contribution to the community they love that they forever hold in their hearts.

"At this time, I'm honored to introduce our honorees. First we have the club president, Aunty Alice Hewett—Aunty Alice is a pillar of the community and, just this morning, I learned she is my wife's aunty's husband's mom's sister; first vice president Leialoha 'Rocky' Kaluhiwa; former president Mahealani Cypher; treasurer Nancy Davalantes; and the Loo 'ohana, Teri Loo and Clifford Loo. And also joining us in the gallery, we have Rupert Chun, and if there's anyone else that I missed who's joining us today, please rise. Members, can you please join me in congratulating our honorees and welcome them to the Hawai'i State Senate?"

At 11:39 a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:45 a.m.

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 3 to 5 and 604) were read by the Clerk and were disposed of as follows:

Gov. Msg. No. 3, dated January 7, 2019, transmitting the Hawai'i Employer-Union Health Benefits Trust Fund Annual Report for FYE June 30, 2018, pursuant to Section 87A-25, HRS, was placed on file.

Gov. Msg. No. 4, dated January 7, 2019, transmitting the Report Relating to Staff of the Hawai'i Employer-Union Health Benefits Trust Fund pursuant to Act 145, SLH 2017, was placed on file.

Gov. Msg. No. 5, dated January 11, 2019, transmitting a report with recommendations on whether certain information should be required for future variance reports pursuant to Act 169, SLH 2017, was placed on file.

Gov. Msg. No. 604, submitting for consideration and confirmation to the Public Utilities Commission, the nomination of LEODOLOFF ASUNCION, term to expire June 30, 2020, was referred to the Committee on Commerce, Consumer Protection, and Health.

DEPARTMENTAL COMMUNICATIONS

The following communications (Dept. Com. Nos. 363 to 374) were read by the Clerk and were placed on file:

Dept. Com. No. 363, from the University of Hawai'i dated January 15, 2019, transmitting a report of hire pursuant to Act 49, Section 96, SLH 2017.

Dept. Com. No. 364, from the Office of Enterprise Technology Services dated January 15, 2019, transmitting the Department of Human Services Systems Modernization Project Independent Verification and Validation Report for December 2018 pursuant to Section 27-43.6, HRS.

Dept. Com. No. 365, from the Office of the Auditor dated January 16, 2019, informing the Legislature that the financial audit of the State of Hawai'i Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018, was issued on December 14, 2018, as directed by Article VII, Section 10, of the State Constitution, and as authorized by Chapter 23, HRS.

Dept. Com. No. 366, from the Department of Business, Economic Development, and Tourism dated January 16, 2019, transmitting the Hawaii Community Development Authority 2018 Annual Report pursuant to Section 206E-19, HRS.

Dept. Com. No. 367, from the Department of Health dated January 16, 2019, transmitting the State Council on Developmental Disabilities Implementation of the State Plan 2018 Report pursuant to Section 333E-3(5), HRS.

Dept. Com. No. 368, from the State Public Charter School Commission dated January 15, 2019, transmitting the Report on University Laboratory School Admissions pursuant to Act 111, SLH 2015.

Dept. Com. No. 369, from the Department of Health dated January 16, 2019, transmitting the Office of Health Care Assurance Facility Inspection Report for 2018 pursuant to Act 184, SLH 2016.

Dept. Com. No. 370, from the Department of Health dated January 16, 2019, transmitting the Sanitation Branch Annual Audit and Sanitation and Environmental Health Special Fund Report for 2018 pursuant to Sections 321-27.5 and 321-27, HRS.

Dept. Com. No. 371, from the University of Hawai'i dated January 22, 2019, transmitting a report of hire pursuant to Act 49, Section 96, SLH 2017.

Dept. Com. No. 372, from the Department of Labor and Industrial Relations dated January 23, 2019, transmitting the Workforce Development Council Annual Report for Program Year 2017 pursuant to Section 202-2(14), HRS.

Dept. Com. No. 373, from the Office of the Auditor dated January 23, 2019, informing the Legislature that the financial audit of the Hawai'i Employer-Union Health Benefits Trust Fund for the fiscal year ended June 30, 2018, was issued on

December 4, 2018, as directed by Article VII, Section 10, of the State Constitution, and as authorized by Chapter 23, HRS.

Dept. Com. No. 374, from the Office of the Auditor dated January 24, 2019, transmitting the report, "Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Department of Transportation" (Report No. 19-05) pursuant to Section 23-12, HRS.

HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 7 and 8) were read by the Clerk and were placed on file:

Hse. Com. No. 7, transmitting H.B. No. 31, H.D. 1, which passed Third Reading in the House of Representatives on February 19, 2019, was placed on file.

On motion by Senator Kahele, seconded by Senator Fevella and carried, H.B. No. 31, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTION NOMINATION PAPERS," passed First Reading by title and was deferred.

Hse. Com. No. 8, transmitting H.B. No. 165, which passed Third Reading in the House of Representatives on February 19, 2019, was placed on file.

On motion by Senator Kahele, seconded by Senator Fevella and carried, H.B. No. 165, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN REPORTS," passed First Reading by title and was deferred.

STANDING COMMITTEE REPORTS

Senator Dela Cruz, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 669) recommending that S.B. No. 301, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Kahele, seconded by Senator Fevella and carried, the report of the Committee was adopted and S.B. No. 301, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION OF REAL ESTATE INVESTMENT TRUSTS," passed Second Reading and was placed on the calendar for Third Reading on Thursday, February 28, 2019.

Senator Dela Cruz, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 670) recommending that S.B. No. 396, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Kahele, seconded by Senator Fevella and carried, the report of the Committee was adopted and S.B. No. 396, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MARKETPLACE FACILITATORS," passed Second Reading and was placed on the calendar for Third Reading on Thursday, February 28, 2019.

Senator Dela Cruz, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 671) recommending that S.B. No. 855, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Kahele, seconded by Senator Fevella and carried, the report of the Committee was adopted and S.B. No. 855, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE LOW-INCOME HOUSING TAX CREDIT," passed Second Reading and was placed on the calendar for Third Reading on Thursday, February 28, 2019.

Senator Dela Cruz, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 672) recommending that S.B. No. 1268, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Kahele, seconded by Senator Fevella and carried, the report of the Committee was adopted and

S.B. No. 1268, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAX REPORTING," passed Second Reading and was placed on the calendar for Third Reading on Thursday, February 28, 2019.

Senator Dela Cruz, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 673) recommending that S.B. No. 1360, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Kahele, seconded by Senator Fevella and carried, the report of the Committee was adopted and S.B. No. 1360, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was placed on the calendar for Third Reading on Thursday, February 28, 2019.

Senator Dela Cruz, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 674) recommending that S.B. No. 1433 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Kahele, seconded by Senator Fevella and carried, the report of the Committee was adopted and S.B. No. 1433, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was placed on the calendar for Third Reading on Thursday, February 28, 2019.

ORDER OF THE DAY

RE-REFERRAL OF SENATE BILLS

The Chair re-referred the following Senate bills that were introduced:

S.B. No.:	Re-referred to:
S.B. No. 364, S.D. 1	Jointly to the Committee on Energy, Economic Development, and Tourism and the Committee on Higher Education and the Committee on Water and Land, then jointly to the Committee on Ways and Means and the Committee on Commerce, Consumer Protection, and Health
S.B. No. 915	Committee on Water and Land
S.B. No. 1167	Committee on Ways and Means
S.B. No. 1251	Jointly to the Committee on Water and Land and the Committee on Ways and Means
S.B. No. 1259	Jointly to the Committee on Water and Land and the Committee on Ways and Means
S.B. No. 1428	Committee on Ways and Means

ADJOURNMENT

At 11:47 a.m., on motion by Senator Kahele, seconded by Senator Fevella and carried, the Senate adjourned until 11:30 a.m., Thursday, February 28, 2019.