

THIRTY-SECOND DAY

Friday, March 15, 2019

The Senate of the Thirtieth Legislature of the State of Hawai'i, Regular Session of 2019, convened at 11:43 a.m. with the President in the Chair.

The Roll was called showing all Senators present.

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

At this time, Senator Harimoto introduced his brother Dr. Deane Harimoto, who was visiting from Michigan with his wife, Dawn, and their daughter Stacey, a student at Washington University in St. Louis. Accompanying them in the gallery were Stacey's friend Zoey Orenstein and her mother, Hindy Bogner-Orenstein, from Maryland.

Senator Ihara extended an additional welcome to Dr. Deane Harimoto, noting that they were classmates at Highlands Intermediate School and that he remembered Dr. Harimoto as a "brainiac" with a very strong mind.

Senator Inouye acknowledged Randy Iwase, former chair of the Public Utilities Commission and former State Senator, who was seated in the gallery.

Senator Thielen recognized the Hawai'i State Department of Education School Food Services Branch, and presented the following remarks:

"Colleagues, we'd like to recognize Mr. Albert Scales as the program administrator for the state Department of Education Farm to School Initiative, and we are also pleased to welcome Dexter Kishida, who serves as a program specialist for the DOE Farm to School Initiative. Thank you.

"The Hawai'i State Department of Education, the Hawai'i Department of Agriculture, and the Kohala Center are working collaboratively on the Farm to School Initiative. Across the nation, Farm to School programs are reconnecting students to a better understanding of the food system and where their food comes from. Farm to School programs introduce students to healthier eating habits and help them become familiar with new vegetables and fruits that they and their families will then be more willing to incorporate into their own diets. The goal of the Farm to School Initiative is to address the supply and demand issues surrounding the purchasing of local food for our state school cafeterias. The initiative also aims to systematically increase state purchasing of local food for our school menus as well as connect our keiki with the 'āina through their food using products from the local agricultural community. I know that there'd been some work done in the Senate for many years on trying to increase local food in our school cafeterias, both for the benefit of the farmers and for the health of the keiki, and we were making incremental progress after many years' effort. But a couple years ago, I walked into a meeting with Mr. Albert Scales, where he was doing a presentation, and it really was phenomenal, just the innovation, the breath of fresh air, and the invigorating atmosphere that he was bringing around the issue and the goals that he was setting forth. Since I know this is near and dear to the Senate heart, we wanted to recognize these folks, and I'd like to turn it now over to my colleague from Kapolei to say a few words."

Senator Gabbard rose to present the following remarks:

"Colleagues, actions speak louder than words and tell the truth of one's leadership. Albert Scales serves as the administrator for the Department of Education's School Food Services Branch. He was instrumental in the Farm to School Initiative, designed to address the supply and demand issues

surrounding the purchasing of local food for our state school cafeterias. The initiative also aims to systematically increase state purchasing of local food for our school menus as well as connect our keiki with the 'āina through their food using products from the local agricultural community. I'd now like to yield the floor to my colleague from Hawai'i island to say a few words."

Senator Ruderman rose to present the following remarks:

"Starting in 2017, the Farm to School Initiative has provided thousands of pounds of local produce in our public schools, including local beef, banana, papaya, pineapple, 'ulu, and Okinawan sweet potato, and there are already plans to purchase green papaya and kalo and poi in the year 2019. Albert Scales was instrumental in working with various farming organizations to secure the fresh and local produce. We're pleased to welcome Albert and Dexter to the Senate and to recognize the amazing work they've accomplished in our public schools, and if I can just echo the words of our senator from Kailua, that the difference that such an innovative individual made was like night and day. Thank you very much, and I'd like to turn the floor back over to the senator from Kailua."

Senator Thielen rose and stated:

"Thank you, Mr. President. I do need to make a correction, though: I am the senator from Waimānalo—originally from Kailua, but moved to God's Country about 10 years ago.

"So, like every great leader, Mr. Scales, when we contacted his office and said the Senate wanted to recognize him, immediately said that he could not do this without all the folks in his office, and, unfortunately, they seem to be swept with a flu or bug and some vacation scheduled, so the ones who were going to be here today could not be, but I do want to recognize them on the floor. In addition to Dexter Kishida, the program specialist who's with us today: Iris Fujimoto, Earlyn Worley, Laureen Oda, Lindsay Rodrigues, Curtis Haida, Jayson Watts, and Anna-Lisa Okoye have been instrumental in making these changes.

"One of the comments that we didn't make is, in the presentation that Mr. Scales made to the Legislature that I got a chance to walk into a couple years ago, he voluntarily said they were going to be moving away from the use of Styrofoam trays. Many of us remember being in school and they had those plastic trays; well, they replaced those with Styrofoam a little while ago, so when you think of the number of school students, the number of school lunches and school breakfasts that are being served, and you calculate the cubic feet of Styrofoam trays that are utilized every year, you could easily fill up this room. So it is a phenomenal effort that they are undertaking, not only in bringing local food to our students, promoting farming, but also reducing the waste and trash that's going into our landfill and being much more environmentally sensitive. So, colleagues, please join me in welcoming Albert Scales and Dexter Kishida."

The Chair extended a personal thanks to Senator Ruderman, who spearheaded the legislation and pushed the idea forward back in 2015, and former Lieutenant Governor Shan S. Tsutsui, who had been assigned to the initiative.

At 11:52 a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:57 a.m.

Senator Baker recognized former State Senator Suzanne Chun Oakland, who was present in the gallery.

STANDING COMMITTEE REPORTS

Senator Ruderman, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 1219) recommending that H.B. No. 218, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Senator Kahele, seconded by Senator Fevella and carried, the report of the Committee was adopted and H.B. No. 218, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MINORS," passed Second Reading and was referred to the Committee on Judiciary.

Senator Kahele, for the Committee on Water and Land, presented a report (Stand. Com. Rep. No. 1220) recommending that H.B. No. 1068, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Kahele, seconded by Senator Fevella and carried, the report of the Committee was adopted and H.B. No. 1068, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEELIA STATE PARK," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Kahele, for the Committee on Water and Land, presented a report (Stand. Com. Rep. No. 1221) recommending that H.B. No. 1133, H.D. 2, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Commerce, Consumer Protection, and Health.

On motion by Senator Kahele, seconded by Senator Fevella and carried, the report of the Committee was adopted and H.B. No. 1133, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MARINE LIFE CONSERVATION DISTRICTS," passed Second Reading and was referred to the Committee on Commerce, Consumer Protection, and Health.

Senator Kahele, for the Committee on Water and Land, presented a report (Stand. Com. Rep. No. 1222) recommending that H.B. No. 454, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Kahele, seconded by Senator Fevella and carried, the report of the Committee was adopted and H.B. No. 454, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO KAHOO LAWE ISLAND RESERVE," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Kahele, for the Committee on Water and Land, presented a report (Stand. Com. Rep. No. 1223) recommending that H.B. No. 558, H.D. 1 pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Kahele, seconded by Senator Fevella and carried, the report of the Committee was adopted and H.B. No. 558, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO KEKAHA KAI STATE PARK," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Kahele, for the Committee on Water and Land, presented a report (Stand. Com. Rep. No. 1224) recommending that H.B. No. 455, H.D. 1 pass Second Reading and be referred to the Committee on Ways and Means.

On motion by Senator Kahele, seconded by Senator Fevella and carried, the report of the Committee was adopted and H.B. No. 455, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE KAHOO LAWE ISLAND RESERVE COMMISSION," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Taniguchi, for the Committee on Labor, Culture and the Arts, presented a report (Stand. Com. Rep. No. 1225) recommending that the Senate advise and consent to the

nomination of RYKER WADA as Director of the Department of Human Resources Development, in accordance with Gov. Msg. No. 601.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 1225 and Gov. Msg. No. 601 was deferred until Monday, March 18, 2019.

ORDER OF THE DAY**THIRD READING**

H.B. No. 2, H.D. 1, S.D. 1:

Senator Dela Cruz moved that H.B. No. 2, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Keith-Agaran.

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

"I rise in support of H.B. 2. Additionally, please apply my comments in support to the next bill, H.B. 116, as well. Your Committee on Ways and Means, in keeping with the intent of the new budget process established a few months ago, passed out both H.B. 2 and H.B. 116 together to make up the Senate's position on the executive budget. H.B. 116 is supplemental to H.B. 2.

"Before I get into the highlights of the two budget bills, I'd like to thank all of the Senate subject-matter committee chairs for taking up the challenge presented at the beginning of session to really dive into their departments' budgets, scrutinize their requests, and make recommendations to the Ways and Means committee so that we may pass an executive budget that helps hold the state government accountable and live within our means based off of the revenues that we collect. The committee feels it is important to limit the growth of government and reduce duplicative services. Where applicable, departments should be working with each other to provide services to Hawai'i residents. With that in mind, I would also like to thank the subject-matter committee chairs for finding vacancies to cut for new positions that were added to the Senate draft.

"The Senate approached the Senate draft conservatively in the event the Council on Revenues further lowered their general fund revenues forecast. On Tuesday, the Council on Revenues decreased their forecast for fiscal year '19 from 4.2 percent to 3 percent. This amounts to an \$81.6 million decrease in revenues for fiscal year '19 and will cause a compounding decrease of \$103.2 million by fiscal year '25 in the state's financial plan. Council on Revenues kept their forecast flat for fiscal year '20 to '25 at 4 percent growth.

"The Senate put together a responsible budget; we looked at ways to cut costs, reduce spending, and put forward bills to generate revenue that have crossed over to the House. Working with the subject-matter chairs in putting together the Senate draft, we kept in mind our fixed-cost obligations, such as health benefits, Medicaid, pensions, and debt service. These obligations alone account for 51 percent of our budget spending. The Senate draft on the executive budget for the fiscal biennium 2019-2021 puts forth a state budget that is \$31.7 million lower than the executive budget for fiscal year 2020 and \$183.6 million lower for fiscal year '21.

"House Bill 2, S.D. 1, includes the base budget from Act 53, Session Laws of Hawai'i 2018; the addition of previously appropriated collective bargaining amounts that were enacted in a number of bills in 2017 and '18 legislative sessions; the addition of full-year funding amounts for positions established with a six-month delay in hire in Act 53, Session Laws of Hawai'i 2018; the adjustments necessary to fulfill ERS, EUTF debt service, and Medicaid requirements for this biennium; and the reduction of non-recurring amounts identified in 2017 and

'18 executive budget worksheets issued by the Legislature. Also included are approved executive requests for tradeoffs, transfers, changes of means of financing, conversions of positions from temporary to permanent, ceiling increases or decreases, all reductions in new positions that were already authorized by the Legislature in the previous biennium, and additional funding for priority budget requests.

"Your committee amended House Bill 116 to include funding requests above and beyond the base budget adjustments. These adjustments include new positions, new programs, and budget requests from the Senate subject-matter committee chairs. The Senate draft of Senate budget includes funding the following priorities: supporting programs and services for agriculture to implement the Interagency Biosecurity Plan; funding to support grants for local businesses to help expand and diversify our economy; help provide funding for Weighted Student Formula, Early College, and Hawai'i Promise; funding to protect our natural resources, wildfire response, combat critical invasive species, and to help stop Rapid 'Ōhi'a Death; funding for critical programs to address homelessness, state Rent Supplement Program, and other homeless initiatives; and provide funding for the Juvenile Justice Reform. The Senate also determined that the following are priorities that should continue to receive funding; therefore, they are placeholders that have been included in the Senate draft to allow further discussion for Kupuna Care, Kupuna Caregivers Program, Maui Health Systems, and each governor's message that requested to add funding to the executive budget. The governor's messages were submitted late to the Legislature; therefore, a placeholder has been included in the Senate draft and have been inserted into individual Senate bills.

"In closing, I'd like to thank the members of the Ways and Means committee for their hard work, and I would like to acknowledge their efforts, time, and dedication as well as efforts and hard work of the vice chair for putting together the CIP budget. And, lastly, I'd like to thank the Ways and Means budget staff for their hard work and extended hours in helping to shape the Senate draft. In the gallery, we have with us committee clerk Dane Wicker, budget chief Erin Conner, budget analyst Alika Ke-Paloma, Janos Palko, Kaley Vatalaro, RJ Martin, and Zarek Wong, and intern from HPU Yurie Hoshino. I'd also like to acknowledge the vice chair's staff: Susan Wong, Robert Nishimoto, Danielle Evangelista, and Sara Tanigawa, if we can just give them a round of applause. I'd also like to give acknowledgement to Senate leadership for their support in helping the Ways and Means committee draft the budget. Mahalo."

The motion was put by the Chair and carried, H.B. No. 2, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 116, S.D. 1:

On motion by Senator Dela Cruz, seconded by Senator Keith-Agaran and carried, H.B. No. 116, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 1259, S.D. 1:

On motion by Senator Dela Cruz, seconded by Senator Keith-Agaran and carried, H.B. No. 1259, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CAPITAL IMPROVEMENT PROJECTS," having been read throughout,

passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

RE-REFERRAL OF HOUSE BILLS

The Chair re-referred the following House bills that were received:

H.B. No.:	Re-referred to:
H.B. No. 747, H.D. 1	Committee on Human Services, then to the Committee on Ways and Means
H.B. No. 838, H.D. 1	Committee on Commerce, Consumer Protection, and Health, then to the Committee on Ways and Means
H.B. No. 1133, H.D. 2, S.D. 1	Committee on Water and Land, then jointly to the Committee on Commerce, Consumer Protection, and Health and the Committee on Ways and Means

RE-REFERRAL OF SENATE CONCURRENT RESOLUTIONS

The Chair re-referred the following Senate concurrent resolutions that were offered:

S.C.R. No.:	Re-referred to:
S.C.R. No. 61	Committee on Public Safety, Intergovernmental, and Military Affairs, then to the Committee on Ways and Means
S.C.R. No. 113	Committee on Commerce, Consumer Protection, and Health
S.C.R. No. 186	Committee on Education, then to the Committee on Ways and Means

RE-REFERRAL OF A SENATE RESOLUTION

The Chair re-referred the following Senate resolution that was offered:

S.R. No.:	Re-referred to:
S.R. No. 83	Committee on Commerce, Consumer Protection, and Health

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

"I just want to make a quick correction: When I was speaking with Albert Scales, he told me that the DOE is no longer using Styrofoam trays as of **now**. I did some quick calculations. By a conservative estimate, the number of Styrofoam trays we were using in one year would have filled an entire football field four feet deep. Thank you."

Senator Baker announced that the Women's Legislative Caucus would be holding an Easter basket donation drive to benefit the Institute For Human Services and The Salvation Army, and encouraged the members to participate.

Senator Taniguchi invited the members to a reception for the commemoration of the fiftieth anniversary of the State Capitol building in the governor's office that afternoon, which would feature an exhibit about the extraction of the time capsule.

Senator Dela Cruz announced that the Committee on Ways and Means and the House Committee on Finance were scheduled to start conference committee meetings the following week, subject to change.

Senator Kahele informed the members that the number two-ranked University of Hawai'i men's volleyball team would be

playing against California State University, Northridge that weekend, and encouraged the members to attend the games.

The Chair then remarked:

“To Senator Taniguchi, on behalf of the rest of the Senate, thank you for your efforts in the fiftieth anniversary of the capitol. I would like to make sure that it is in the Senate Journal that we extend our thanks to all of the members of the task force who worked so diligently to commemorate the fiftieth anniversary, and I couldn’t think of a better way for all of it to tie in today: We had the keiki to kūpuna hula and musical rendition, and then we had operatic-quality presentation, and it shows the diversity of Hawai‘i and staying current with the theme of ‘a welcoming place to come to.’ Congratulations to you, Senator Gabbard, for having such an appropriate guest on this fiftieth anniversary.”

ADJOURNMENT

At 12:09 p.m., on motion by Senator Kahele, seconded by Senator Fevella and carried, the Senate adjourned until 11:30 a.m., Monday, March 18, 2019.