

FORTY-SIXTH DAY

Friday, June 26, 2020

The Senate of the Thirtieth Legislature of the State of Hawai'i, Regular Session of 2020, convened at 11:46 a.m. with the President in the Chair.

The Roll was called showing all Senators present, with Senators Chang, Ruderman, Thielen present and participating via videoconference.

The President announced that he had read and approved the Journal of the Forty-Fifth Day.

STANDING COMMITTEE REPORTS

Senator Kim, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 3671) recommending that H.B. No. 2091, 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. 2091, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL HISTORY RECORD CHECKS," passed Second Reading and was referred to the Committee on Judiciary.

Senator Kim, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 3672) recommending that H.B. No. 2257, 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. 2257, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE CONFERENCE CENTER REVOLVING FUND," passed Second Reading and was referred to the Committee on Ways and Means.

Senators Kidani and Kim, for the Committee on Education and the Committee on Higher Education, presented a joint report (Stand. Com. Rep. No. 3673) recommending that H.B. No. 2603, 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 joint report of the Committees was adopted and H.B. No. 2603, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Baker, for the Committee on Commerce, Consumer Protection, and Health, presented a report (Stand. Com. Rep. No. 3674) recommending that H.B. No. 2425, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Judiciary and 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. 2425, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC ABUSE," passed Second Reading and was referred to the Committee on Judiciary and the Committee on Ways and Means.

Senator Ruderman, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 3675) recommending that H.B. No. 1978, H.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. 1978, H.D. 1, entitled: "A BILL FOR AN ACT RELATING

TO SPECIAL IMMIGRANT JUVENILE STATUS," passed Second Reading and was referred to the Committee on Judiciary.

Senator Ruderman, for the majority of the Committee on Human Services, presented a report (Stand. Com. Rep. No. 3676) recommending that H.B. No. 1942, H.D. 2, 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 majority of the Committee was adopted and H.B. No. 1942, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD ABUSE REPORTING," passed Second Reading and was referred to the Committee on Judiciary.

Senators Gabbard and Kahele, for the Committee on Agriculture and Environment and the Committee on Water and Land, presented a joint report (Stand. Com. Rep. No. 3677) recommending that H.B. No. 1878, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Commerce, Consumer Protection, and Health and the Committee on Ways and Means.

On motion by Senator Kahele, seconded by Senator Fevella and carried, the joint report of the Committees was adopted and H.B. No. 1878, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY TRANSACTIONS," passed Second Reading and was referred to the Committee on Commerce, Consumer Protection, and Health and the Committee on Ways and Means.

Senators Gabbard and Baker, for the Committee on Agriculture and Environment and the Committee on Commerce, Consumer Protection, and Health, presented a joint report (Stand. Com. Rep. No. 3678) recommending that H.B. No. 1819, H.D. 2, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Judiciary and the Committee on Ways and Means.

On motion by Senator Kahele, seconded by Senator Fevella and carried, the joint report of the Committees was adopted and H.B. No. 1819, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEMP," passed Second Reading and was referred to the Committee on Judiciary and the Committee on Ways and Means.

Senator Baker, for the Committee on Commerce, Consumer Protection, and Health, presented a report (Stand. Com. Rep. No. 3679) recommending that H.B. No. 2317, H.D. 2, 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. 2317, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SECURITIES," 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. 3680) recommending that H.B. No. 1880, 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. 1880, H.D. 1, S.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 Kahele, for the Committee on Water and Land, presented a report (Stand. Com. Rep. No. 3681) recommending that H.B. No. 2033, 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. 2033, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF LAND AND NATURAL RESOURCES," 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. 3682) recommending that H.B. No. 2036, 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. 2036, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CORAL RESTORATION," 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. 3683) recommending that H.B. No. 2211, 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. 2211, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL MARINE LICENSES," 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. 3684) recommending that H.B. No. 2207, 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. 2207, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LAND USE," 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. 3685) recommending that H.B. No. 2484, 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. 2484, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE PARKS," 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. 3686) recommending that H.B. No. 2591, 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. 2591, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MARINE RESOURCES," 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. 3687) recommending that H.B. No. 2739, H.D. 2, 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. 2739, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT

RELATING TO THE KA IWI COAST," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Baker, for the Committee on Commerce, Consumer Protection, and Health, presented a report (Stand. Com. Rep. No. 3688) recommending that H.B. No. 2502, 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. 2502, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was referred to the Committee on Ways and Means.

Senators Baker and Keohokalole, for the Committee on Commerce, Consumer Protection, and Health and the Committee on Technology, presented a joint report (Stand. Com. Rep. No. 3689) recommending that H.B. No. 2572, H.D. 2, 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 joint report of the Committees was adopted and H.B. No. 2572, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PRIVACY," passed Second Reading and was referred to the Committee on Judiciary.

Senator Kidani, for the Committee on Education, presented a report (Stand. Com. Rep. No. 3690) recommending that H.B. No. 2543, 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. 2543, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ACCESS TO LEARNING," passed Second Reading and was referred to the Committee on Ways and Means.

Senators Kahele and Gabbard, for the Committee on Water and Land and the Committee on Agriculture and Environment, presented a joint report (Stand. Com. Rep. No. 3691) recommending that H.B. No. 2035, 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 joint report of the Committees was adopted and H.B. No. 2035, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NON-AGRICULTURAL PARK LANDS," passed Second Reading and was referred to the Committee on Ways and Means.

Senators Kahele and Gabbard, for the Committee on Water and Land and the Committee on Agriculture and Environment, presented a joint report (Stand. Com. Rep. No. 3692) recommending that H.B. No. 2486, H.D. 2, 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 joint report of the Committees was adopted and H.B. No. 2486, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF PLANNING," 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. 3693) recommending that H.B. No. 1928, 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. 1928, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DEVELOPMENT DISTRICTS," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Nishihara, for the majority of the Committee on Public Safety, Intergovernmental, and Military Affairs, presented a report (Stand. Com. Rep. No. 3694) recommending that H.B. No. 1901, 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 majority of the Committee was adopted and H.B. No. 1901, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," passed Second Reading and was referred to the Committee on Judiciary.

Senator Nishihara, for the majority of the Committee on Public Safety, Intergovernmental, and Military Affairs, presented a report (Stand. Com. Rep. No. 3695) recommending that H.B. No. 1278, H.D. 2, 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 majority of the Committee was adopted and H.B. No. 1278, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT SERVICES RELATING TO THE LAW," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Inouye, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 3696) recommending that H.B. No. 2750, H.D. 2, 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. 2750, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MONETARY OBLIGATIONS," passed Second Reading and was referred to the Committee on Judiciary.

Senator Inouye, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 3697) recommending that H.B. No. 2475, 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. 2475, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CARGO CARRIERS," passed Second Reading and was referred to the Committee on Ways and Means.

Senator Inouye, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 3698) recommending that H.B. No. 2002, H.D. 2, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Commerce, Consumer Protection, and Health and 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. 2002, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION NETWORK COMPANIES," passed Second Reading and was referred to the Committee on Commerce, Consumer Protection, and Health and the Committee on Ways and Means.

Senator Inouye, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 3699) recommending that H.B. No. 1676, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Judiciary and 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. 1676, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," passed Second Reading and was referred to the Committee on Judiciary and the Committee on Ways and Means.

ORDER OF THE DAY

THIRD READING

MATTER DEFERRED FROM WEDNESDAY, JUNE 24, 2020

H.B. No. 2294, H.D. 1, S.D. 1:

Senator Rhoads moved that H.B. No. 2294, H.D. 1, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Keohokalole.

Senator Rhoads then offered the following amendment (Floor Amendment No. 8) to H.B. No. 2294, H.D. 1, S.D. 1:

SECTION 1. House Bill No. 2294, H.D. 1, S.D. 1, is amended by amending the effective date from July 1, 2050, to September 1, 2020, in section 27 and to read as follows:

"SECTION 27. This Act shall take effect on September 1, 2020."

Senator Rhoads moved that Floor Amendment No. 8 be adopted, seconded by Senator English.

Senator Rhoads rose to speak in support of the amendment as follows:

"Mr. President, this bill passed out of JDC before the coronavirus pandemic had started and, as is common practice, we had left a defective date on it that is no longer really very practical, so all this floor amendment does is put on a clean effective date, and the House has agreed to the measure as it stands."

The motion to adopt Floor Amendment No. 8 was put by the Chair and carried.

By unanimous consent, H.B. No. 2294, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO NOTARIES PUBLIC," was placed on the calendar for Third Reading on Monday, June 29, 2020.

FINAL READING

Conf. Com. Rep. No. 1-20 (S.B. No. 126, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Dela Cruz, seconded by Senator Keith-Agaran and carried, Conf. Com. Rep. No. 1-20 was adopted and S.B. No. 126, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none.

Conf. Com. Rep. No. 2-20 (S.B. No. 785, S.D. 1, H.D. 1, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 2-20 be adopted and S.B. No. 785, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Dela Cruz.

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

"There are two main reasons we need to approve this measure.

“First, the contracts this bill funds will not protect government workers from pay cuts, furloughs, or getting laid off. These contracts do not guarantee employment. In fact, they have specific provisions about how the government can make cuts and lay people off.

“The Legislature has wisely adopted a cut last approach to the current recession. Cutting first would have made the economic situation even worse. Government employees would have taken a pay cut, less money would have been spent, the economy would slow further, tax revenues would have dropped more, we would have cut the budget more, and the economy would continue its downward spiral.

“Having said that, barring a vaccine or significantly more help from the federal government, the chances of significant cuts in the one-year to 18-month range is very, very high. By then, we will have burned through our rainy day funds, which we have so painstakingly stockpiled since the last recession, used up the CARES Act money, and tapped every available special fund for general fund use. If we get to that point, we will have no choice but to cut, and government workers will take the brunt of that economic pain.

“Second, and related, many government workers, both State and county, have been working without a contract for almost a year. This means that in the fiscal year starting July 1, 2019, they made less than they did in the previous year due to inflation. This bill catches those employees up to other government employees whose contracts were finalized during the 2019 legislative session and who already had new contracts (and got raises) before the COVID pandemic hit.

“It also means that most government worker contracts will be up again in just over a year. This time, the economic effects of the pandemic will be painfully clear. There is a statutory provision that prohibits an arbitrator from taking into account that the government could raise taxes to cover government employee raises. I sincerely hope that business is booming and our tax revenues are on the rise a year from now, but that doesn't seem very likely. Government workers will be lucky if they maintain their current salaries at that point, both those who got a new contract last year and those whose negotiations took longer that we are addressing today.

“We're in a very difficult position, but there are rational reasons to hope. Better political leadership in Washington could be in place as early as January, and Dr. Fauci, director of the National Institute of Allergy and Infectious Diseases, is cautiously optimistic that a vaccine could be developed by the end of the year. Both of these events would improve the economic situation tremendously, and maybe these cuts will never be necessary. Mahalo.”

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

“Since I was elected to office, I've come to the capitol every year in January to hear our economic forecast, and the report for all six years I've been here has basically been the same: The best of times is now. With that said, our public workers deserve these raises in this contract. They deserve a contract, and when this is all over, one day in the future—because one day in the future, it will be over—I will be the first to advocate for raises and to make sure that all of our state workers who are impacted by this bill and the decisions to come are made whole. But I cannot ignore the state of affairs we find ourselves in, which occurred after this agreement was reached but before we were able to approve it.

“Mr. President, the path we are on is unsustainable. Unsustainable. And the work we are doing this session, with the exception of this bill, acknowledges and addresses that reality. I just cannot support this bill because it makes it harder for us to

make the already-difficult decisions before us and, more so, because it will make it harder to make the terrible decisions that we all know are coming, and they are coming soon. With this vote, I am asking respectfully for the administration and the unions to come back to the table and work on a solution that is sustainable because this is certainly not it. I'd also like to ask that the governor hire a negotiator instead of having our Department of Human Resources head do double duty, which has become clear to me that he's not able to do at this time. I ask that they work on a viable solution to this mess that considers the hardship our public workers will face; a solution to this can be reached. I think our state workforce and our constituents deserve to know just how precarious the situation we find ourselves in is—and I'd like to acknowledge the comments of the senator before me—and what we will have no choice but to do to emerge from this crisis.

“With that said, I'm proud of the work that Senator Dela Cruz and my fellow colleagues on the Senate Special Committee on COVID-19 have done to shine a light on the State's response to the pandemic, especially because the committee has created a mechanism for the public to see and understand the nature of the challenges we are facing and the options we are forced to choose between in addressing this once-in-a-century catastrophe. The choices we are faced with are depressingly inadequate to fix the problems we are being asked to solve. Unfortunately for all of us, I believe this bill will make things harder to fix and our options fewer, and for those reasons, I cannot support it. Mahalo.”

Senator Moriwaki rose to speak in support of the measure with reservations as follows:

“I vote to approve the collective bargaining agreements in the bill that were negotiated or arbitrated in good faith in reaching agreement. I believe all agreements should be honored by the employer. However, these agreements were negotiated prior to the unprecedented coronavirus pandemic that hit our state hard. We have over 250,000 unemployed, and many businesses closing. We face a budget shortfall of \$2.3 billion. If the Legislature were able to do so, we would defer the salary increases in these agreements. We cannot, by law, but we must. It is incumbent on the governor to lead during these times and to engage all the unions, who I know represent responsible and hard-working employees who would rather have their salary increases deferred than face furloughs or layoffs. With the faith in the governor and our public unions to agree on deferral of these salary increases, I vote 'aye with reservations.' Thank you.”

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

“I always thought we should have a 'no with regret.' We have 'yes with reservations,' but there are times where you vote 'no' and with regrets.

“I think our employees do deserve a raise. I think members of the general population who work in the private workforce deserve a raise in the minimum wage. But we've been hit badly in our economy, worse than in '09, and the fact of the matter is we just simply don't have the money. We are talking about encouraging the governor, and I understand that everybody in this room who's voting on this bill is trying to wrestle with what's the best way to move forward, but I agree with the senator from Kāne'ohe: If we pass this bill, we will leave the governor with fewer options rather than more, and we are going to throw people in the union into conflicting arguments between themselves about how to respond, which is going to make it more difficult to go forward.

“I was in the administration in '09. The governor, during that economic decline, tried to impose furloughs, and the judge said,

‘The governor does not have the authority under law to furlough or cut pay. That is only through collective bargaining.’ The only remedy the governor has on the books is to do layoffs. Layoffs are horrible. They’re horrible in any time, but they’re horrible in an economic downturn because you’re telling people that they’re going to be losing a job, losing the benefits that go with the job, and it’s horrible for the public because there’s a huge loss in services, and the budget impacts take a lot longer than a reduction in pay does because it takes longer for the State to see the savings from layoffs. But there was a lot of fighting within the union because senior members are affected less in a reduction in force or layoffs than junior members. I don’t want to see us go into that situation.

“If we pass this, we’re **asking** people to go back to the table, but if we don’t pass it, we’re **requiring** people to go back to the table, and while that’s not something any of us want to do lightly, given the magnitude of this economic crisis that we’re in, I think we need to ask people to go back to the table. I would prefer to send a message to the union that right now, if we were to pass this, we’re looking at having to borrow money from the Municipal Liquidity bond fund at a 2 percent interest rate to pay these salaries. That just helps the banks and the federal government, to give them the 2 percent interest. Let’s send them back to the table and recommend to the unions and the governor that we defer any pay increase and take a 1 percent additional increase to the people who do the deferral for that period of time that we would have taken out the loan. That keeps the money here in Hawai‘i; it’s a win-win situation because it’s a less burdensome repayment for the government, and it’s more revenue for the workers. But we can’t get people back to the table if we pass this bill, necessarily. We’re going to throw people into a lot of horrible discussions. So I just recommend that we send people back to the table. We will continue to operate under the current contracts. Everybody will continue to be paid and to have their full benefits while this discussion is ongoing, and they can come back to us in January with an agreement that would work in this economic crisis. Thank you.”

Senator Ruderman rose to speak in support of the measure with reservations as follows:

“I want to vote for these raises. I’ve voted for every raise that’s come before us, and I always strive for better worker wages. These union members of course deserve this, in part because we’ve agreed to it. The rest of the workers in our state, including some much more needy, also got a promise. We agreed at the beginning of this year, if they would be patient and be quiet, that they would get \$13 an hour minimum wage in four years. We agreed to it. All workers deserve for us to keep our promises, not just some. As it stands, although the bill is alive, we are not allowed to hear, amend, or vote upon the promised minimum wage increase for the rest of our workers, including the most needy. That’s a travesty of democracy, and it’s outrageous to me. We’re asked to vote on this one, but we’re not allowed to vote on the one that affects the rest of us. I implore the leadership in both chambers to find the compassion to fight for the rest of the workers also. It’s possible to hear a pure and simple minimum wage increase in the next few days; all it takes is will and leadership, and I hope that we’ll do the same for our most needy workers that we’re doing for our loyal government workers today, and keep our promise. So my reservations are to express that concern in the strongest terms. The union members before us today—this wasn’t their fault. This is our fault they’re in that mess, so I’m going to support it with reservations. Thank you.”

Senator Dela Cruz rose to request that the remarks from the senator of Kaka‘ako be entered into the Journal as if they were his own, and the Chair so ordered (by reference only).

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

“This is a painful time for everybody. The economy is in the tank; 150,000 people are unemployed, some of them are still struggling to get their unemployment checks. Fortunately, everybody who works for state government has continued to work. What we’re looking at here is a pay raise, which is warranted and it’s due, but there’s no money. Our current financial plan envisions borrowing a billion dollars to get us through the next year, and even after we borrow that billion dollars, we’re still going to be short an estimated \$130 million. It has been reported that these pay raises are worth about \$150 million, and whatever the exact numbers are, it’s money that we don’t have, and as catastrophic as the economy has been, fortunately, people are still working. There’s going to be some painful, painful cuts that are coming one way or the other, and this bill in itself is not going to close the budget or solve the budget. I would give pay raises, which are warranted—nobody’s arguing that—but I’d like to just quote an email that was sent to me this morning. It said:

Dear Senator,

I’m against the public workers getting a raise at this time and think it would be fiscally irresponsible for the State to consider it. I say that even though I was a DOE teacher for 32 years, and I know how hard our public workers strive to meet the public needs. But at this time, anyone fortunate enough to be employed should be willing to forego a raise. As a retired state worker, I am also willing to forego the annual increase in our retirement money if anyone is willing or wanting to bring that up.

“He concludes, ‘We all need to do our part.’

“So, Mr. President, as hard as it is to deny these pay raises, at this point, I would have to be in the camp that says we should pick this up later and not pass it down and hope that something gets fixed later. Thank you.”

Senator Kim rose to speak in support of the measure with reservations as follows:

“Mr. President, obviously this is not an easy vote for any of us here today. My reservations are not with the collective bargaining contract because I, too, believe that they negotiated it in good faith, so that is why I’m voting ‘with reservations.’ I don’t believe that the union should have to renegotiate their contract. I know that these contracts also include our frontline workers but, unfortunately, we can only vote yes or no; we don’t have the ability to amend the contracts.

“The reason for my reservations is that all collective bargaining contracts will have a raise on July 1st. These raises come at a time when over 200,000 residents are unemployed, and in 30-plus days, the federal plus-up dollars will end. I’m also concerned that, according to the budget plan, we have to borrow \$900 million to help balance the budget that will include these raises. While we don’t have the authority to amend these measures—only the governor has that authority—I would prefer, like many of my colleagues have already spoken, that these raises be deferred one year just as we, the judiciary, and the administration had agreed to a one-year deferral. After all, Mr. President, aren’t we in this together? Every message, every commercial on TV, is saying, ‘We are in this together.’ Is that just a hollow slogan? How are we in this together when businesses are struggling to stay afloat, when businesses had to close and lay off people, and over 200,000 people have no jobs, and the situation is not likely to improve in the near future? Yet, in five days, July 1st, public sector employees not only have their jobs but will get raises when so many people right now line up for hours just to collect food to feed their families. As a

member of the COVID committee, I hear the cries. I read the emails, probably more than many of you have, and we feel the pain of these people who have no jobs and knowing that they're going to have even less money come July 31st. So, sadly, Mr. President, not all of us are in this together."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 2-20 was adopted and S.B. No. 785, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21; Ayes with Reservations (Baker, Fevella, Kim, Moriwaki, Nishihara, Ruderman, Wakai). Noes, 3 (Keohokalole, Riviere, Thielen).

THIRD READING

H.B. No. 2500, S.D. 1:

On motion by Senator Dela Cruz, seconded by Senator Keith-Agaran and carried, H.B. No. 2500, 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, 24. Noes, none.

ADJOURNMENT

At 12:11 p.m., on motion by Senator Kahele, seconded by Senator Fevella and carried, the Senate adjourned until 11:30 a.m., Monday, June 29, 2020.