

FIFTY-NINTH DAY

Tuesday, April 30, 2002

The Senate of the Twenty-First Legislature of the State of Hawaii, Regular Session of 2002, convened at 10:17 o'clock a.m. with the President in the Chair.

The Divine Blessing was invoked by the Honorable Bob Hogue, Hawaii State Senate, after which the Roll was called showing all Senators present.

The President announced that he had read and approved the Journal of the Fifty-Eighth Day.

Senator English rose on a point of personal privilege as follows:

"Mr. President, point of personal privilege.

"Mr. President, members of the Senate, we're very privileged today that Maui County is the very first county to be broadcasting these proceedings live to Maui, Molokai and Lanai, and they're doing this using the Internet webcast. So they're picking up the Internet webcast and transmitting these proceedings live for the first time, instead of two weeks later. The residents of Hana, Molokai, Lanai and all of Maui will be able to watch us just like Oahu in real time.

"This is an experiment. It's the very first and it's been done with very little resources. So imagine if we put some resources into it, all of our proceedings will be made available statewide to the entire population, live.

"Thank you, Mr. President."

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 359 to 362) were read by the Clerk and were placed on file:

Gov. Msg. No. 359, informing the Senate that on April 25, 2002, he signed the following bills into law:

House Bill No. 1093 as Act 46, entitled: "RELATING TO THE USE OF WASHINGTON PLACE FOR CAMPAIGN ACTIVITIES";

House Bill No. 1723 as Act 47, entitled: "RELATING TO MOTOR VEHICLE SAFETY";

House Bill No. 1725 as Act 48, entitled: "RELATING TO DRIVER LICENSE RENEWAL BY MAIL";

House Bill No. 2199 as Act 49, entitled: "RELATING TO LIQUOR";

House Bill No. 2282 as Act 50, entitled: "RELATING TO AGREEMENTS TO ARBITRATE MADE BEFORE JULY 1, 2002";

House Bill No. 2507 as Act 51, entitled: "RELATING TO REGISTRATION OF DIVORCES AND ANNULMENTS";

Senate Bill No. 2094 as Act 52, entitled: "RELATING TO HEALTH INSURANCE REIMBURSEMENT";

Senate Bill No. 2681 as Act 53, entitled: "RELATING TO PUBLIC WORKS"; and

Senate Bill No. 2769 as Act 54, entitled: "RELATING TO MENTAL HEALTH."

Gov. Msg. No. 360, informing the Senate that on April 26, 2002, he signed the following bills into law:

House Bill No. 57 as Act 55, entitled: "RELATING TO AGRICULTURE";

House Bill No. 2232 as Act 56, entitled: "RELATING TO THE WHISTLEBLOWERS' PROTECTION ACT"; and

Senate Bill No. 2881 as Act 57, entitled: "RELATING TO ELDERLY CARE."

Gov. Msg. No. 361, dated April 26, 2002, transmitting his statement of objections to House Bill No. 2266 which he has returned to the House of Representatives without his approval and which reads as follows:

"EXECUTIVE CHAMBERS
HONOLULU

April 26, 2002

STATEMENT OF OBJECTIONS TO HOUSE BILL NO. 2266

Honorable Members
Twenty-First Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith without my approval, House Bill No. 2266, entitled 'A Bill for an Act Relating to Accreted Lands.'

The purpose of House Bill No. 2266 generally is to permit only the State to own accreted land, which is a land extension along a shoreline (above the upper reaches of the wash of the waves) that has been formed by natural and gradual growth. This is a marked departure from the clearly established common law of this State and it does not appear that adequate consideration has been given to the impact of this measure or how it is to be implemented. Moreover, there are many unanswered questions raised by the bill that could have significant effects on private landowners.

The bill contains confusing provisions. For one thing, section 1 adds to section 171-1, Hawaii Revised Statutes, a definition of the term 'accreted lands' to mean 'lands formed by the gradual accumulation of land on a beach or shore along the ocean by the action of natural forces.' The definition does not include the requirement in sections 501-33 and 669-1, Hawaii Revised Statutes, that an accretion be permanent (in existence for at least twenty years). Also, section 2 amends the definition of 'public land' in section 171-2, Hawaii Revised Statutes, to include accreted lands formed after August 15, 1895, without qualification, so that it could be interpreted to make even privately owned accreted land public land, thereby placing a cloud on the title of privately owned ocean front land.

While generally precluding recognition of private ownership in accreted lands, the bill makes an exception when accretion merely restores land that had been previously eroded. Because shorelines are constantly changing, without specifying reference dates from which these determinations are to be made, in most cases it may be impossible to determine whether the accretion

falls within the category of accretion or restoration of eroded lands.

Finally, I understand that the intent of this bill is not to undo any past adjudications of private ownership of accreted lands. However, the bill is silent as to the fate of currently pending applications for such adjudications.

There are too many uncertainties and issues about how this bill will be implemented. These uncertainties are likely to lead to costly litigation.

For the foregoing reasons, I am returning House Bill No. 2266 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano
 BENJAMIN J. CAYETANO
 Governor of Hawaii”

Gov. Msg. No. 362, dated April 26, 2002, transmitting his statement of objections to Senate Bill Nos. 2765, 2805 and 3010 which he has returned to the Senate without his approval and which reads as follows:

“EXECUTIVE CHAMBERS
 HONOLULU

April 25, 2002

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 2765

Honorable Members
 Twenty-First Legislature
 State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 2765, entitled ‘A Bill for an Act Relating to Registration of Divorces and Annulments.’

The purpose of this bill is to repeal section 338-29, Hawaii Revised Statutes, which requires registration of divorces and annulments with the Department of Health. The bill streamlines the divorce and annulment process by eliminating the registration requirement after December 31, 2002.

House Bill No. 2507, which also repeals section 338-29, Hawaii Revised Statutes, was passed during the regular session of 2002. Because I intend to approve House Bill No. 2507, there is no need to approve this bill.

For the foregoing reason, I am returning Senate Bill No. 2765 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano
 BENJAMIN J. CAYETANO
 Governor of Hawaii”

“EXECUTIVE CHAMBERS
 HONOLULU

April 25, 2002

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 2805

Honorable Members
 Twenty-First Legislature
 State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 2805, entitled ‘A Bill for an Act Relating to Soil and Water Conservation Districts.’

The purpose of this bill is to remove the requirement that all contributions, moneys, and funds received by a soil and water conservation district be deposited into the general fund.

The soil and water conservation districts are state agencies created pursuant to chapter 180, Hawaii Revised Statutes, and, pursuant to section 103-2, Hawaii Revised Statutes, all state agencies are required to deposit moneys they receive into the general fund unless the receipts are statutorily designated for deposit into a special fund. There is no special fund established for the districts and, therefore, the mere deletion of wording from section 180-16, Hawaii Revised Statutes, will not accomplish the purpose of this bill.

For the foregoing reason, I am returning Senate Bill No. 2805 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano
 BENJAMIN J. CAYETANO
 Governor of Hawaii”

“EXECUTIVE CHAMBERS
 HONOLULU

April 26, 2002

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 3010

Honorable Members
 Twenty-First Legislature
 State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 3010, entitled ‘A Bill for an Act Relating to Pension and Retirement Systems.’

The purpose of this bill is to enable a firefighter who has at least ten years of credited service and is deemed to be permanently medically disqualified to be a firefighter to continue employment in a class A or B position other than a firefighter, but still retain the higher benefit formula upon retirement for the years of credited service as a firefighter.

Although the legislative committee reports state that firefighters who become medically disqualified due to a ‘service-related disability’ should not have their retirement benefits penalized for assuming the risks of their jobs as firefighters, the bill only requires that the firefighter be ‘deemed permanently medically disqualified’ to be a firefighter and does not require a ‘service-related disability.’ Consequently, a firefighter injured in a non-service-related accident, such as an off-duty automobile accident, and deemed to be permanently medically disqualified to be a firefighter, will be entitled under the bill to retain the higher benefit formula upon retirement. It appears that the bill will not correctly effectuate the Legislature’s intent.

For the foregoing reasons, I am returning Senate Bill No. 3010 without my approval.

Respectfully,

/s/ Benjamin J. Cayetano
BENJAMIN J. CAYETANO
Governor of Hawaii"

HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 636 and 637) were read by the Clerk and were placed on file:

Hse. Com. No. 636, informing the Senate that the Speaker on April 26, 2002, made the following changes to the conferees on the following bill:

H.B. No. 1245, H.D. 1 (S.D. 1):

Discharged Representatives Nakasone and Djou as managers.

Appointed Representatives Saiki and Marumoto as members.

Hse. Com. No. 637, returning S.C.R. No. 18, which was adopted by the House of Representatives on April 26, 2002.

STANDING COMMITTEE REPORTS

Senator Taniguchi, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 3586) recommending that H.B. No. 1740, H.D. 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 3586 and H.B. No. 1740, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENTERPRISE ZONES," was deferred until Thursday, May 2, 2002.

Senator Matsuura, for the Committee on Health and Human Services, presented a report (Stand. Com. Rep. No. 3587) recommending that the Senate advise and consent to the nominations of JEAN L. JOHNSON, DR.P.H., PAUL S. VARGAS JR., MARK D. CONLEY, JEAN KIYABU, THOMAS G. NELSON, KIYOKO N. NITZ, PH.D., and DAVID A. WOLL to the State Planning Council on Developmental Disabilities, in accordance with Gov. Msg. No. 305.

In accordance with Senate Rule 36(6), action on Stand. Com. Rep. No. 3587 and Gov. Msg. No. 305 was deferred until Thursday, May 2, 2002.

Senator Matsuura, for the Committee on Health and Human Services, presented a report (Stand. Com. Rep. No. 3588) recommending that the Senate advise and consent to the nominations of KARLEEN K. YOSHIOKA, DAVID WILLIAM MAY, GAIL T. TOMINAGA, M.D., and THOMAS A. VEATCH to the Emergency Medical Services Advisory Committee, in accordance with Gov. Msg. No. 306.

In accordance with Senate Rule 36(6), action on Stand. Com. Rep. No. 3588 and Gov. Msg. No. 306 was deferred until Thursday, May 2, 2002.

Senator Matsuura, for the Committee on Health and Human Services, presented a report (Stand. Com. Rep. No. 3589) recommending that the Senate advise and consent to the nominations of STEPHEN G. CHONG, WAYNE S. HIGAKI, ROBERT T. OGAWA and ROSE ANN POYZER to the

Statewide Health Coordinating Council, in accordance with Gov. Msg. No. 313.

In accordance with Senate Rule 36(6), action on Stand. Com. Rep. No. 3589 and Gov. Msg. No. 313 was deferred until Thursday, May 2, 2002.

Senator Matsuura, for the Committee on Health and Human Services, presented a report (Stand. Com. Rep. No. 3590) recommending that the Senate advise and consent to the nominations of ALAN BUFFENSTEIN, M.D., and LINDA COCHRAN to the State Council on Mental Health, in accordance with Gov. Msg. No. 328.

In accordance with Senate Rule 36(6), action on Stand. Com. Rep. No. 3590 and Gov. Msg. No. 328 was deferred until Thursday, May 2, 2002.

Senator Tam, for the Committee on Economic Development and Technology, presented a report (Stand. Com. Rep. No. 3591) recommending that H.C.R. No. 200, H.D. 1, be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 3591 and H.C.R. No. 200, H.D. 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE ESTABLISHMENT OF A TASK FORCE TO STUDY THE FEASIBILITY OF ESTABLISHING A FRESHWATER FISHERY AT THE WAHIAWA RESERVOIR, OAHU," was deferred until Thursday, May 2, 2002.

Senator Kim, for the Committee on Tourism and Intergovernmental Affairs, presented a report (Stand. Com. Rep. No. 3592) recommending that the Senate advise and consent to the nominations of PATRICIA KAINOA HODSON, KILAKILA KAMAU, SHELLY R. COBB, ROSE MAY ENOS-KU and MARION M. JOY to the King Kamehameha Celebration Commission, in accordance with Gov. Msg. No. 327.

In accordance with Senate Rule 36(6), action on Stand. Com. Rep. No. 3592 and Gov. Msg. No. 327 was deferred until Thursday, May 2, 2002.

Senator Kim, for the majority of the Committee on Tourism and Intergovernmental Affairs, presented a report (Stand. Com. Rep. No. 3593) recommending that the Senate advise and consent to the nomination of LAWRENCE M. JOHNSON to the Board of Directors, Hawai'i Tourism Authority, in accordance with Gov. Msg. No. 293.

In accordance with Senate Rule 36(6), action on Stand. Com. Rep. No. 3593 and Gov. Msg. No. 293 was deferred until Thursday, May 2, 2002.

Senator Kanno, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 3594) recommending that the Senate consent to the nomination of CLARENCE A. PACARRO to the office of Judge, District Court of the First Circuit, for a term of six years, in accordance with the provisions of Article VI, Section 3, of the Hawaii State Constitution, and in accordance with Jud. Com. No. 4.

In accordance with Senate Rule 36(6), action on Stand. Com. Rep. No. 3594 and Jud. Com. No. 4 was deferred until Thursday, May 2, 2002.

Senator Kanno, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 3595) recommending that the Senate consent to the nomination of JOEL AUGUST to the office of Circuit Judge of the Second Circuit, for a term of ten years, in accordance with the provisions of Article VI, Section

3, of the Hawaii State Constitution, and in accordance with Jud. Com. No. 5.

In accordance with Senate Rule 36(6), action on Stand. Com. Rep. No. 3595 and Jud. Com. No. 5 was deferred until Thursday, May 2, 2002.

Senator Kanno, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 3596) recommending that the Senate consent to the nomination of MARCIA J. WALDORF to the office of 4th Judge, Circuit Court of the First Circuit, for a term of ten years, in accordance with the provisions of Article VI, Section 3, of the Hawaii State Constitution, and in accordance with Gov. Msg. No. 357.

In accordance with Senate Rule 36(6), action on Stand. Com. Rep. No. 3596 and Gov. Msg. No. 357 was deferred until Thursday, May 2, 2002.

ORDER OF THE DAY

FINAL READING

Conf. Com. Rep. No. 48-02 (H.B. No. 1722, S.D. 1, C.D. 1)

Senator Kawamoto moved that Conf. Com. Rep. No. 48-02 be adopted and H.B. No. 1722, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Menor.

Senator Kawamoto then offered the following amendment (Floor Amendment No. 8) to H.B. No. 1722, S.D. 1, C.D. 1:

Section 1. House Bill No. 1722, S.D. 1, C.D. 1 is amended by amending section 3 to read as follows:

“SECTION 3. This Act shall take effect on ~~[July 1, 2002.]~~ June 29, 2002.”

Senator Kawamoto moved that Floor Amendment No. 8 be adopted, seconded by Senator Taniguchi.

Senator Kawamoto noted:

“Mr. President, this bill calls for an effective date of July 1, 2002. The sunset date is June 30, 2002, for this commission. Therefore, to make this bill effective, we have changed the date to be June 29, 2002.”

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

At 10:23 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:24 o'clock a.m.

Senator Kawamoto moved that Conf. Com. Rep. No. 48-02 be received and placed on file, seconded by Senator Taniguchi and carried.

By unanimous consent, H.B. No. 1722, S.D. 1, C.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TRANSPORTATION,” was placed on the calendar for Final Reading on Thursday, May 2, 2002.

Conf. Com. Rep. No. 97-02 (S.B. No. 2416, S.D. 2, H.D. 2, C.D. 1)

Senator Matsuura moved that Conf. Com. Rep. No. 97-02 be adopted and S.B. No. 2416, S.D. 2, H.D. 2, C.D. 1, having been

read throughout, pass Final Reading, seconded by Senator Taniguchi.

At this time, Senator Matsuura requested a waiver of Senate Rule 53, which requires that floor amendments be presented to the Clerk no later than 9:00 a.m. on the session day at which a floor amendment is to be offered, and the Chair granted the waiver.

Senator Matsuura then offered the following amendment (Floor Amendment No. 9) to S.B. No. 2416, S.D. 2, H.D. 2, C.D. 1:

SECTION 1. Senate Bill No. 2416, S.D. 2, H.D. 2, C.D. 1, is amended by amending Section 1 to read as follows:

“SECTION 1. The legislature finds that people in Hawaii are living longer, due in large measure to the State’s excellent health care. The legislature further finds that as they age, they incur concomitant chronic health diseases such as cancer, cardiovascular disease, and stroke, all of which necessitate intense daily care in the later years of life. As people age or become disabled, they need services to help them with activities of daily living. The approach to helping Hawaii’s elderly and disabled should be prompted by compassion and caring, although the problem is inextricably one of economics. Medicaid, Medicare, long-term care insurance, and personal assets are insufficient or inaccessible to most individuals.

The legislature is enacting, through H.B. No. 2638, H.D. 2, S.D. 1, C.D. 1, of this 2002 regular session, the Long Term Care Financing Act. The Long Term Care Financing Act establishes the foundation for a universal and affordable system of providing long-term care, and a temporary board of trustees charged with the responsibility of designing a tax-based financing system. This Act is a companion measure, the purpose of which is to convene a summit to bring together private and public organizations to identify the types and quality of services, service delivery system, and service delivery policies for the long-term care system established in H.B. No. 2638, H.D. 2, S.D. 1, C.D. 1.”

SECTION 2. Senate Bill No. 2416, S.D. 2, H.D. 2, C.D. 1, is amended by deleting Sections 2 and 3.

SECTION 3. Senate Bill No. 2416, S.D. 2, H.D. 2, C.D. 1, is amended by renumbering Section 4 to Section 2 and amending renumbered Section 2 to read as follows:

“SECTION 2. The Executive Office on Aging shall convene a long-term care summit to bring together private and public organizations, including State, county, and community organizations, to collaborate to identify the types and quality of services, service delivery system, and service delivery policies to ensure the development of a comprehensive and affordable long-term care system for the State.

The Executive Office on Aging shall submit to the legislature a report of findings and recommendations no later than twenty days before the convening of the regular session of 2003.”

SECTION 4. Senate Bill No. 2416, S.D. 2, H.D. 2, C.D. 1, is amended by renumbering Section 5 to Section 3 and amending renumbered Section 3 to read as follows:

“SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$40,000, or so much thereof as may be necessary for fiscal year 2002-2003, for a long-term care summit to be contracted by the Executive Office on Aging with a non-governmental public policy organization. The summit shall bring together business, labor, government, including state and county agencies, and community organizations, to work together to identify the types and quality

of services, service delivery system, and service delivery policies to implement a comprehensive and affordable long-term care system for Hawaii.

The sum appropriated shall be expended by the Executive Office on Aging.”

SECTION 5. Senate Bill No. 2416, S.D. 2, H.D. 2, C.D. 1, is amended by renumbering Section 6 to Section 4 and amending renumbered Section 4 to read as follows:

“SECTION 4. This Act shall take effect on July 1, 2002.”

Senator Matsuura moved that Floor Amendment No. 9 be adopted, seconded by Senator Fukunaga.

Senator Matsuura noted:

“Mr. President, fellow colleagues, this bill is the long-term care financing bill. We just needed to clean up some duplicative language that we had in the Senate versus the House. So the Senate is pretty much cleaned up now and with the \$40,000 appropriation for the summit.”

Senator Hogue rose and said:

“Mr. President, I just wanted to ask a question, if I could, to the Chair.”

The President posed the question and Senator Matsuura having answered in the affirmative, Senator Hogue inquired:

“My question has to do with, it was my understanding that previously there was an appropriation for \$40,000 to the University of Hawaii for this summit, and now the appropriation is going to the Executive Office on Aging?”

Senator Matsuura replied:

“Only for disbursement. Only to be contracted out as the . . . I forgot the exact technical term.”

Senator Hogue continued:

“Okay, so the University of Hawaii is not going to hold the summit at this time?”

Senator Matsuura answered:

“The Executive Office on Aging will be contracting out with a private nonprofit organization to do it.”

Senator Hogue further inquired:

“Okay, then this private nonprofit will do it independently of the Executive Office on Aging?”

Senator Matsuura replied: “Yes.”

Senator Hogue then said:

“Okay, thank you.”

The motion to adopt Floor Amendment No. 9 was put by the Chair and carried.

Senator Matsuura moved that Conf. Com. Rep. No. 97-02 be received and placed on file, seconded by Senator Fukunaga and carried.

By unanimous consent, S.B. No. 2416, S.D. 2, H.D. 2, C.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE

HAWAII LONG-TERM CARE FINANCING ACT.” was placed on the calendar for Final Reading on Thursday, May 2, 2002.

Conf. Com. Rep. No. 165-02 (H.B. No. 1800, H.D. 1, S.D. 1, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 165-02 be adopted and H.B. No. 1800, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Buen.

Senator Taniguchi rose in support of the measure as follows:

“Mr. President, I rise to speak in favor of this measure.

“Mr. President, this measure is a supplemental budget bill and amends Act 259 of last year. Before speaking to the merits of the bill, I would like to thank all the people who made this session a success for the Committee on Ways and Means.

“First, I would like to thank my staff. I think all of them did an incredible job this year, given the circumstances. I want them to know that I appreciate all the sacrifices that they made for this Committee to be successful. Second, I’d like to thank the Ways and Means Committee members for all of their hard work and constructive input this year. While it was a struggle at times, I believe that each member contributed to this final product. I’d like to especially thank my Vice Chair, the Senator from Waianae, for all her guidance and support during the most difficult of times. When the chips were down and we had a tough choice to make, I knew I had someone to blame if things went wrong. (Laughter.)

“I want to also thank the House Finance Chair, Representative Dwight Takamine, for the tremendous support, cooperation and friendship he has afforded me these past 30 years. With him across the bargaining table I knew the Senate would always get a fair shot.

“Last, but not least, I would like to thank my family – my wife Jan, my son Danny, and my daughter Karli – for the sacrifices that they have made so I could serve as WAM Chair these past two years, most especially for being my strength behind all of the tough decisions that I’ve had to make in my 22 years in office.

“Mr. President, by now everyone in this chamber knows our plight of revenue shortfalls, budget cuts and the ongoing debate of how to best redistribute our limited resources. In a way, I’m glad we had the opportunity to face the challenge that we did. We were forced to reevaluate priorities and ask ourselves what our state government should look like and how it should operate. We not only had to learn the intricacies of hundreds of programs, but we were also forced to learn how departments use their special and revolving fund revenues.

“We learned of six-year financial planning. We learned of bond ratings. We learned that the Executive Branch, while it can greatly improve on its delivery of services, is not the wasteful machine that it is characterized to be. Rather, to be fair, it is a misunderstood and misapplied tool of public policy. For far too long departments have been asked to absorb budget cut after budget cut, while simultaneously being asked to carry out more and more legislative and court mandates. Cuts were therefore not the singular answer to our budget woes. And if one listened earnestly and honestly, he or she could not stand here today and claim that cutting the budget was our best and only way to address our problems.

"But most importantly, we, this Legislature, learned that this budget represents more than it actually contains. It represents the philosophy that we as the state government must provide for those who cannot provide for themselves – our children, the poor, the elderly and those impacted most by the events of September 11th.

"If you examine this budget, you will see that general fund expenditures were reduced from the budget approved last year. I repeat – reduced to a tune of \$83 million less. Of that reduction, many cuts were good reductions: less debt service, less unexpended appropriations and less general fund expenditures due to increased federal funds. But many cuts were painful, especially those to public education.

"I believe that this body is addressing our revenue shortfall in the most prudent and appropriate manner, a sensible combination of generating revenue, reducing expenditures, and stimulating the economy. This budget, as a component of our overall financial plan, is sound, and it is fair as it provides the resources for those areas that should be a priority to our taxpayers. I believe this body has done an outstanding job for the last two years of conforming our state government expenditures to our ability to afford it.

"While some may disagree, I believe that this Legislature should be proud of the fiscal decisions it has made, as well as all others related to our financial plan. We have made the difficult choices, but these are ones that I feel will best serve the interests of our people.

"I urge all my colleagues to support this measure. Thank you."

Senator Hemmings rose to speak against the measure as follows:

"Mr. President, I rise to speak against this budget.

"I'd like to echo the accolades and gratitude voiced by the Ways and Means Committee Chairman regarding all the hard work everyone put into this budget. And I'll be the first to acknowledge that everyone on this Floor, especially, and the whole staff with us, their hearts are really in the right place. Everyone really means well. The difference is not what we're trying to do to help the truly needy in our society. The difference is how we're trying to do it.

"I also want to praise the Chairman, especially. You measure in sports, especially, a champion in not how they function in times that are good or when you're winning. The true measure of a champion is how you function in times of duress, when times are difficult, and our Chairman has done a good job of handling trying times. In fact, I hope the record would note that something very pleasant has happened with this man going through this process. His humor has gotten tremendously better. (Laughter.) He was this dour, samurai-kind of guy when we started this Session and now his humor has risen to the occasion.

"I ask myself, after growing up in Hawaii and living in the shadow of this great monolithic political machine that has had total political edge in this State for most of my adult life, why would we want to dig a hole deeper regarding the economy? Why would we want to spend more? Why do we want to tax more? Why would we want to raid not so special funds and turn relief funds into tax?

"I thought I had the answer the other day when I was walking across the second floor verandah up there and looked down into the rotunda where we have four planter boxes. And

in those planter boxes were what I thought might be the answer. It came to me like the burning bush that Moses saw. But I noticed that there wasn't the State tree, the kukui tree, in that bush and it wasn't some wonderful indigenous Hawaiian plant. There was a dracaena dragon, otherwise known as the money tree. And the revelation came to me that possibly the Majority Party members thought that money grows on trees and that all these taxes and fines levied on the working people of Hawaii or on corporations, for that matter, came from some magical source like a money tree. Nothing could be further from the truth.

"And nothing could be further from the truth that this budget is cutting spending. Even, God Bless them, the fourth state, the media gets it wrong again . . . 'Legislature to trim \$96 million from the budget – new budget plan cuts budget 2.5.' Well, it cuts excessive spending in the proposed budget, but the facts are that this budget grows state spending just in this budget by \$72 million to our computation, which is a dramatic increase in spending.

"I might note that the committee report says things that is contradicted by the very budget its reporting on. It says in the committee report that 'Your Conference Committee therefore believes that public sentiment wants to reduce government spending.' Well, the facts are that government spending is not reduced. It increases, and we know it. And that's just in this bill. Other bills will add on more spending via raiding funds and the hurricane relief fund.

"We have tried to help the truly needy, but what we have done in the last 30 years, oftentimes, is funded the truly greedy. We've funded malfeasance. We've funded duplicity. We've funded inefficiency and we've funded mismanagement. And we've funded systems that are overtly broken and we fail to fix them.

"We're here to hopefully turn the ship of state in another direction that will take us to a better day. And your loyal opposition has consistently offered alternatives. We think that there's enough money in the malfeasance that is pointed out by the Auditor to cut some of it rather than to look the other way and not hold the departments accountable.

"We started down the road of cutting vacant positions and we revealed to you how much money – 94 million to be exact – was being spent on vacant positions.

"The committee report, once again, contradicts the process. I quote the committee report, 'The current division-wide infrastructure includes over 166 vacancies, yet the AMHD has requested an additional 22 temporary positions in fiscal year 2003 for administrative infrastructure support based on the IPSD report. Your Conference Committee therefore directs that the AMHD evaluate its existing vacant positions to address current and future needs before requesting for additional infrastructure support.' Hmm . . . I've heard that before. What happened to the other 5,000-plus positions that add up to \$94 million? Why can't we apply the same principal and ask our departments to be honest? Don't come to us requesting positions when they have \$94 million worth of vacant positions. Your loyal opposition feels that alone could have preempted us from raising funds.

"There's another way to balance the budget without increasing spending – and that's to turn liabilities into assets. Years ago, Hawaiian Airlines built an airport at Kapalua for \$7 million and the State Legislature wisely wrote into the agreement, through the Department of Transportation, access to other airlines so the airport could be used like the rest of the state airports to benefit the general public. It operated for

several years as an asset to the State, paying money to the state coffers. But the chief hole-digger, former Governor John Waihee, spent \$22 million and bought the airport and turned an asset to the State into a liability, where it is now a negative cash flow.

"We just received another audit criticizing the state hospitals. We could easily turn those liabilities into assets by turning state hospitals over, where appropriate with favorable leases, to the private sector to run them, therefore turning a liability into an asset.

"This Session we've got a huge liability in our harbors. We only have 2,500 mooring spaces in an island state surrounded by the largest expanse of water in the nation. But we've turned down an entrepreneur, a risk taker, that was going to take over Honokahau Harbor, provide adequate safeguards for the public sector to have access and reasonable fees, and spend, over the next ten years, \$100 million in doing something that we couldn't do. But we refused to turn that state liability into an asset.

"We have tight financial times. This budget has money put into it to pay for another liability the private sector could probably do better at, and that's the Taj Mahal Art Center next door. Sell the building. Spend the money fixing schools, for instance. That building, I think, cost the state taxpayers \$27 million. In austere financial times, we're spending money on art while our schools are falling down. We can, indeed, turn liabilities into assets. And we've totally ignored system reform.

"In the committee report it says, 'Your Conference Committee stresses that if funding to departments is to be reduced below the levels recommended in this budget, then this Legislature must also reduce the responsibilities placed on those departments.' Amen.

"I ask, again, the rhetorical question that fits so well and empirical evidence proves out the answer, if the Catholic Church can run 44 schools with 12,000 students with no Department of Education, why do we need this huge bureaucracy that spends millions, if not tens of millions, of dollars shuffling paper around and having curriculum specialists in everything from recess time to potty time?

"What's really sad is we proved through charter schools that schools can function run by parents and teachers and principals. And the reason that the DOE and the BOE are so opposed to it is because it proves they're not needed.

"So colleagues, I'd like to stand up and say, yes, I can vote for this budget because it's going to help improve the economy, because it's going to help us achieve a brighter day and expand our opportunities in this State, but the reality is and it's proved out that just the opposite is going to happen.

"I know this is a done deal, and I wish my prophecies were wrong, but unfortunately, prior experience shows just the opposite. And I hope some of you will consider voting for this budget with reservations, for I certainly will be voting 'no.'

"Thank you, Mr. President."

Senator Kawamoto rose to speak in support of the measure with reservations and said:

"Mr. President, I rise to speak for the bill with reservations.

"Mr. President, I hope that this 'W/R' doesn't reflect on the great work that our team, the staff of Ways and Means, the Chairman of Ways and Means, the Vice Chairman of Ways and

Means, for the work that they have done in the past two years. They did a tremendous job in a situation that was tough. But Mr. President, I have to go 'W/R' because we allowed the House to remove \$5 million of a project called 'Waimalu Viaduct.' We have been in the process of doing this Waimalu Viaduct and for \$5 million we could receive about \$45 million to \$50 million in federal dollars. That's 10 percent for 90 percent of the project.

"We had the help of the senior Senator from Hawaii and the help of the junior Representative or Congressman from Hawaii to get these funds. We had committed to buying homes, land and property for the people that were endangered in building this viaduct. By allowing \$5 million to be removed from this project, we not only jeopardized the federal funding, we delayed the project another year.

"We addressed the commuter traffic for those in Pearl City, North Shore, Waialua, Whitmore, Wahiawa, Mililani, Waipahu, Ewa, Kapolei, Nanakuli, and Waianae. We all pass through this viaduct. That is thousands of people in this p.m. traffic. It is unfortunate that we have made the commitment and we will see another delay in addressing the commuter traffic for the people on the West Side. This is the fastest, biggest growing population of the State of Hawaii, bar none.

"It is very unfortunate that we have to delay it for a year and may jeopardize federal funds. Mr. President, that's the reason why I'm going 'W/R.'"

Senator Kanno rose in support of the measure as follows:

"Mr. President, I rise to speak in support of the measure.

"Ways and Means Chair, Vice Chair, committee members and committee staff had the unenviable task of balancing the budget and accommodating the varied input from our Senate colleagues, the administration and the public. I commend them for their hard work and commitment and thank them for the sacrifices that they've made.

"I urge my colleagues to support the measure. Thank you."

Senator Slom rose to speak against the measure as follows:

"Mr. President and colleagues, I rise in opposition to the budget.

"I, too, want to congratulate and send kudos to the Chair, Vice Chair and members of the Committee. We did work as a team. I've said it publicly and privately before, the Chairman has been more than open, more than fair. We've had really good discussions. We have looked at issues critically. We have examined them.

"The problem is when we failed to get answers to questions, when we had department heads who couldn't explain why their budgets went up or where certain monies went, we continued to give them money. We didn't hold them accountable. We didn't hold their feet to the fire.

"Two years ago my colleague from the beautiful Garden Island asked me in his frustration, what can we do, what can we do? My answer then and my answer now is you can deny them the money. That is our responsibility and that is the power that we have. And if they cannot provide the answers, and if they cannot provide objectives and complete their promises in programming and their mission, you don't keep funding them. And if the Legislative Auditor raises question, after question, after question, you address those questions. But unfortunately, we didn't do that in the rush to balance the budget.

“And let me say that our problems didn’t just stem from September 11th or in the last couple of months. Our problems went back to last year when we passed a big bloated budget. At that time, members of the Minority, we warned, we cautioned about how we were going to afford that. And what we’re acting upon today is a supplemental budget, a budget on top of that budget. We never really grappled with that one.

“And we knew about our budget problems in September. We knew about them in January when we talked about them. And yet, we really never developed a financial plan. Everybody talks about the financial plan. But if anyone were watching Finance and Ways and Means and some of the other Committees during the last couple of weeks of this Session, they would absolutely understand that there was no plan because everyday it was ‘let’s make a deal’ – try to horse trade this for this, try to take this for that, try to raid that for that. That’s not a plan. And taking money now, in hopes with promises to pay it back later, is not a financial plan. And draining special funds that were set up for specific purposes is not a financial plan. You’ll hear me, you’ll be tired of me again today because I’ll get up and I’ll vote against the creation of every new special fund that we’re going to create today because we haven’t learned; because we haven’t adopted a financial plan.

“The Chairman said that we learned along the way – we learned about bonds and we learned about revenues, and we learned about all these things. I would submit that we knew about these things before. What we learned was that the bottom line becomes political. It’s political rather than economic choices that determine what we do. And the good Senator from God’s country is going to go ‘reservations’ because one item out of this massive budget is not included. All of us are sad because there are items either excluded or there are some things in there that we don’t believe should be there. And that’s what makes it really, really difficult to vote against an entire budget.

“But the Chairman talked about a philosophy and he said the philosophy is that we provide for those who cannot provide for themselves. Fair enough. The only problem is that most times we don’t ask those folks. We presume that people cannot take care of themselves. We presume that we can take care of them better. We presume that we can run and regulate businesses. We presume that if we just tax and regulate and mandate more, that with our wisdom of 25 here we can make the right decisions.

“And when the people do come down here, and when they give us their concerns, and when they tell us how our actions are going to affect and impact their lives, their families, their businesses, their future, we say ‘thank you for coming,’ and then we continue the philosophy of bigger government, more spending, more decisions by a central authority.

“The statement was made that oftentimes the budget is a misunderstood tool. I think we understand it. We understand it for what it is. It is the misappropriation or the re-appropriation, however you want to define it, define it as someone else’s money, and making decisions. Decisions have to be made. The problem is that as we look back, as the Minority Floor Leader said, we look back over decades, we haven’t seen improvements in education; we haven’t seen improvements in health; we haven’t seen improvements in transportation. Yet, we have spent billions of dollars. So there’s got to be more to the equation than money. It’s got to be making the right decisions.

“And there’s got to be a difference in philosophy and ideology and that’s what we in the Minority represent – a

steadfast belief that individuals can and should be accountable and responsible for themselves, first and foremost. And that government, any government, that’s big enough to give you everything you want is also big enough to take away everything you’ve got.

“We haven’t improved our business climate. We haven’t improved our standard of living here and yet we go through the motions. We talk about cuts, and we can argue back and forth. The budget Chair said we cut money from last year. The Minority Floor Leader said we added \$72 million, and by the way, when we’re giving credit, let’s give credit to our Minority Research staff who worked just as long, just as hard, just as diligently, and under more difficult terms because our alternatives very rarely get discussed. The public rarely sees them, and so they say, ‘Why didn’t somebody say something about that?’ And we do.

“We have a colleague, and that colleague asked, ‘Well, if you’ve got the answers, why don’t you tell us what to do?’ And we tell that colleague, and then she says, ‘Well, I don’t like that. Can’t do that.’ That’s part of the problem.

“We haven’t critically examined and compared alternatives. And so to brush off cutting taxes, cutting spending, cutting debt without the same amount of exercise in passion that we put into raiding funds and manipulating monies is not fair. It’s not fair to us and it certainly is not fair to the public. And it doesn’t represent a financial plan.

“So we will have this supplemental budget pass today, and we will add upon the problems that we’ve had before, and the new governor and new legislators are going to wrestle with the same things next year. But unless and until there is a determination that we really have to do things differently, we can’t keep compounding the errors that we’ve made year after year, until there is that realization, we won’t make any real progress in Hawaii and our people will still, will still be having a difficult time taking care of their families and taking care of their businesses.

“And those are some of the reasons, Mr. President, that I’ll be voting ‘no’ on the budget today. Thank you.”

Senator Chun Oakland rose to speak in support of the measure and said:

“Good morning, Mr. President. I’d like to stand in support of this measure.

“I did also want to thank the Chair and Vice Chair and all the members of the Ways and Means Committee, as well as the staff, who have worked so hard. I wanted to point out some of the things that we have been able to preserve in the budget that are near and dear to many of our hearts in the community.

“We were able to restore funding for the after-school program, the A+ program, vocational programs, curriculum development, preventive educational programs, Hawaiian language and culture education programs, alternative learning programs, equipment for science education, athletic programs, community-based programs, instructional development and leadership programs, ESL – English as a second language programs, Hawaii content and performance standards programs, and also was able to add to the budget funds for multi-track schools, which many students from the Leeward area had come to us and presented their dilemma in having much more students than the school originally could handle. And so this was very important to the children there.

"I also wanted to point out that there was concern about closure of libraries and we have been able to preserve the libraries. So I'm very thankful for that. There have been a number of things with regards to capital improvements that have not been mentioned. I believe we have now \$415 million in our budget using bond financing to actually start to improve our schools even more so than we have, so we will be able to accelerate the renovation of schools, as well as the building of necessary school buildings. In the repair and maintenance area, I believe we have about \$60 million in the budget.

"So again, I think for the community, we need to let them know that education still is a very high priority for the Legislature, and I thank everybody for this. Thank you, Mr. President."

Senator Sakamoto rose in support of the measure and stated:

"Mr. President, I'd like to speak in support of the measure and partly in response to the Senators from Hawaii Kai and Waimanalo.

"Mr. President, as we all know, there are slow leaks in some of the tires that support our government, but the blowout from 9/11 was an impact that none of us perceived and none of us could have foreseen, and I believe this body, the Senate, and the Ways and Means Chair, especially, has done a great job into patching that blowout, and we're still moving forward.

"It's easy, very easy, to look out the rear view mirror and see the same thing and say we're not going anywhere. So be that. We should look out the front window. And really, we have made progress and we will continue to make progress in spite of rhetoric."

Senator Hanabusa rose in support of the measure as follows:

"Mr. President, I rise to speak in support of the measure.

"Mr. President, I would like to personally thank the Ways and Means Chair. I believe he did a superb job of leading this Committee, especially in these very difficult times. It's very interesting to be able to incorporate the accolades from the Senator from Waimanalo into my speech and I take this opportunity to do so and thank him for those very kind words. I would especially like to thank the Ways and Means Chair and the staff . . . the Chair for permitting me to continue to play that very special role – which is, anything wrong with the budget, you can all blame me. So for the good Senator from Waipahu and God's country, he can say that it's my fault and that's okay too, because that was part of the deal when I became the Vice Chair.

"These are difficult times, Mr. President, and we must all prioritize exactly what it is that we wanted to say with the budget, and the budget is our policy statement. I think one of the most critical statements that many of us wanted to make was to keep promises. And the promise that we as a state made first is to our employees, because they serve as our foundation. This budget did not in any way jeopardize the pay raises that they were entitled to. Those pay raises will be paid. And that is an important point.

"Other jurisdictions have looked to cutting. They have cut. Others have deferred. They have deferred, but we have seen that it is necessary to keep that promise and we have done so. The good Senator from Alewa Heights and Kalihi enumerated all the various programs that we were able to save in this budget. Those were in the areas of education, and social and human services. Those are also very important policy statements that some of us wish to make.

"The CIP that is part of this budget emphasized education, repair and maintenance, and the building of new schools which also many of us placed high on our priorities. We have, of course, appropriated \$450 million in new money for this, and that will have a dynamic impact on the economy to the tune of about \$20-some-odd million in just this year alone and it will carry out to the out years.

"The budget is our policy statement. We may not all agree, and that's fine too, because we may differ philosophically on how we prioritize the various aspects of this budget. However, I am grateful for one thing, which is that my good colleagues from across the way here have all said that the Ways and Means Chair and the staff have done an excellent job, especially in these very difficult times.

"I believe that this is a budget that we can all support and I ask that everyone, except those who have said that they're going to go 'no,' to please support this budget.

"Thank you very much."

Senator Kim rose to speak in support of the measure and stated:

"Mr. President, I rise to speak in favor of the budget.

"Mr. President, in addition to thanking the Ways and Means Chairman, the Vice Chairman, and the committee members, I also want to express my thanks to you, Mr. President, for your work in helping us to balance the budget, your work with the House and the House Speaker, and balancing all of our needs and making sure that we have a balanced budget and that we've kept the Senate together and that we can adjourn on time.

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 165-02 was adopted and H.B. No. 1800, H.D. 1, S.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, 22. Noes, 3 (Hemmings, Hogue, Slom).

ADVISE AND CONSENT

Stand. Com. Rep. No. 3560 (Gov. Msg. No. 314):

Senator Matsuura moved that Stand. Com. Rep. No. 3560 be received and placed on file, seconded by Senator Buen and carried.

Senator Matsuura then moved that the Senate advise and consent to the nominations of JENNIFER DIESMAN and DARYL-JEAN WONG to the Honolulu Subarea Health Planning Council, terms to expire June 30, 2006, seconded by Senator Buen.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3561 (Gov. Msg. No. 315):

Senator Matsuura moved that Stand. Com. Rep. No. 3561 be received and placed on file, seconded by Senator Buen and carried.

Senator Matsuura then moved that the Senate advise and consent to the nominations of MARTHA O. AQUINO, JOANNE H. KEALOHA and LAURIE A.B. OISHI to the West Oahu Subarea Health Planning Council, terms to expire June 30, 2006, seconded by Senator Buen.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3562 (Gov. Msg. No. 316):

Senator Matsuura moved that Stand. Com. Rep. No. 3562 be received and placed on file, seconded by Senator Buen and carried.

Senator Matsuura then moved that the Senate advise and consent to the nominations to the Windward Oahu Subarea Health Planning Council of the following:

CHRISTOPHER J. LUTZ, terms to expire June 30, 2002, and June 30, 2006; and

GREIG E. GASPAR, term to expire June 30, 2006,

seconded by Senator Buen.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3563 (Gov. Msg. No. 317):

Senator Matsuura moved that Stand. Com. Rep. No. 3563 be received and placed on file, seconded by Senator Buen and carried.

Senator Matsuura then moved that the Senate advise and consent to the nomination of JAMIE CAMEROS to the Hawai'i County Subarea Health Planning Council, term to expire June 30, 2006, seconded by Senator Buen.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3564 (Gov. Msg. No. 318):

Senator Matsuura moved that Stand. Com. Rep. No. 3564 be received and placed on file, seconded by Senator Buen and carried.

Senator Matsuura then moved that the Senate advise and consent to the nominations of COREY N. DOBASHI, SUSAN GUCWA-BUCASAS, AIDA PASCUAL and ROY K. SASAKI to the Kauai County Subarea Health Planning Council, terms to expire June 30, 2006, seconded by Senator Buen.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3565 (Gov. Msg. No. 319):

Senator Matsuura moved that Stand. Com. Rep. No. 3565 be received and placed on file, seconded by Senator Buen and carried.

Senator Matsuura then moved that the Senate advise and consent to the nominations of AGNES M. GROFF, JOSEPH K. KAMAKA III, M.D., WILLIAM F. STATON, KATHLEEN L. STREET and SARAJEAN A. TOKUNAGA to the Maui County Subarea Health Planning Council, terms to expire June 30, 2006, seconded by Senator Buen.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3566 (Gov. Msg. No. 302):

Senator Kanno moved that Stand. Com. Rep. No. 3566 be received and placed on file, seconded by Senator Matsuura and carried.

Senator Kanno then moved that the Senate advise and consent to the nominations to the Correctional Industries Advisory Committee of the following:

KAREN H. IWAMOTO and HELEN Y. RAUER, terms to expire June 30, 2003;

CARL R. ANDERSON and BERTHA S.J. NAHOPII, terms to expire June 30, 2004; and

MICHAEL A. HAMA, ERWIN HUDELIST and JACK L. TINER, terms to expire June 30, 2006,

seconded by Senator Matsuura.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3567 (Gov. Msg. No. 336):

Senator Kanno moved that Stand. Com. Rep. No. 3567 be received and placed on file, seconded by Senator Matsuura and carried.

Senator Kanno then moved that the Senate advise and consent to the nomination of LISA KEALA CARTER to the Board of Registration, Island of Oahu, term to expire June 30, 2006, seconded by Senator Matsuura.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3568 (Gov. Msg. No. 337):

Senator Kanno moved that Stand. Com. Rep. No. 3568 be received and placed on file, seconded by Senator Matsuura and carried.

Senator Kanno then moved that the Senate advise and consent to the nomination of BEVERLY JEAN WITHINGTON to the Board of Registration, Island of Hawai'i, term to expire June 30, 2006, seconded by Senator Matsuura.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3569 (Gov. Msg. No. 338):

Senator Kanno moved that Stand. Com. Rep. No. 3569 be received and placed on file, seconded by Senator Matsuura and carried.

Senator Kanno then moved that the Senate advise and consent to the nomination of MARK NAKAGOSHI to the Board of Registration, Kauai and Niihau, term to expire June 30, 2006, seconded by Senator Matsuura.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3570 (Gov. Msg. No. 339):

Senator Kanno moved that Stand. Com. Rep. No. 3570 be received and placed on file, seconded by Senator Matsuura and carried.

Senator Kanno then moved that the Senate advise and consent to the nomination of PEGGY ROBERTSON to the Board of Registration, Maui, Molokai, Lanai and Kahoolawe, term to expire June 20, 2006, seconded by Senator Matsuura.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3571 (Gov. Msg. No. 343):

Senator Kanno moved that Stand. Com. Rep. No. 3571 be received and placed on file, seconded by Senator Matsuura and carried.

Senator Kanno then moved that the Senate advise and consent to the nominations of VALLI KANUHA, PH.D., MARGARET K. MASUNAGA and MARY JO SWEENEY to the State Commission on the Status of Women, terms to expire June 30, 2006, seconded by Senator Matsuura.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3572 (Gov. Msg. No. 283):

Senator Taniguchi moved that Stand. Com. Rep. No. 3572 be received and placed on file, seconded by Senator Hanabusa and carried.

Senator Taniguchi then moved that the Senate advise and consent to the nomination of RICHARD F. KAHLE, JR. to the Board of Taxation Review, First Taxation District (Oahu), term to expire June 30, 2006, seconded by Senator Hanabusa.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3573 (Gov. Msg. No. 284):

Senator Taniguchi moved that Stand. Com. Rep. No. 3573 be received and placed on file, seconded by Senator Hanabusa and carried.

Senator Taniguchi then moved that the Senate advise and consent to the nomination of BERT M. WAGATSUMA to the Board of Taxation Review, Third Taxation District (Hawai'i), term to expire June 30, 2006, seconded by Senator Hanabusa.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3574 (Gov. Msg. No. 285):

Senator Taniguchi moved that Stand. Com. Rep. No. 3574 be received and placed on file, seconded by Senator Hanabusa and carried.

Senator Taniguchi then moved that the Senate advise and consent to the nomination of SANDRA L. HOWATT to the Board of Taxation Review, Fourth Taxation District (Kauai), term to expire June 30, 2006, seconded by Senator Hanabusa.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3575 (Gov. Msg. No. 341):

Senator Taniguchi moved that Stand. Com. Rep. No. 3575 be received and placed on file, seconded by Senator Hanabusa and carried.

Senator Taniguchi then moved that the Senate advise and consent to the nomination of MARIA LOWDER to the Board of Taxation Review, First Taxation District (Oahu), term to expire June 30, 2005, seconded by Senator Hanabusa.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3576 (Gov. Msg. No. 348):

Senator Taniguchi moved that Stand. Com. Rep. No. 3576 be received and placed on file, seconded by Senator Hanabusa and carried.

Senator Taniguchi then moved that the Senate advise and consent to the nominations to the Board of Taxation Review, Second Taxation District (Maui County) of the following:

LYLE J. MATSUNAGA, term to expire June 30, 2005; and

LLOYD Y. GINOZA, term to expire June 30, 2006,

seconded by Senator Hanabusa.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3577 (Gov. Msg. No. 331):

Senator Menor moved that Stand. Com. Rep. No. 3577 be received and placed on file, seconded by Senator Matsunaga and carried.

Senator Menor then moved that the Senate advise and consent to the nominations of ELWIN D.H. GOO, PHARM.D.,

and DENNIS IWAMURA to the Board of Pharmacy, terms to expire June 30, 2006, seconded by Senator Matsunaga.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3578 (Gov. Msg. No. 334):

Senator Menor moved that Stand. Com. Rep. No. 3578 be received and placed on file, seconded by Senator Matsunaga and carried.

Senator Menor then moved that the Senate advise and consent to the nomination of THOMAS F. JACKSON to the Board of Psychology, term to expire June 30, 2006, seconded by Senator Matsunaga.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3579 (Gov. Msg. No. 335):

Senator Menor moved that Stand. Com. Rep. No. 3579 be received and placed on file, seconded by Senator Matsunaga and carried.

Senator Menor then moved that the Senate advise and consent to the nominations of ADLEEN ICHINOSE and LES UYEDA to the Radiologic Technology Board, terms to expire June 30, 2006, seconded by Senator Matsunaga.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3580 (Gov. Msg. No. 340):

Senator Menor moved that Stand. Com. Rep. No. 3580 be received and placed on file, seconded by Senator Matsunaga and carried.

Senator Menor then moved that the Senate advise and consent to the nominations of STEPHEN K. KAWAHARA and BETTY LOU LARSON to the Rental Housing Trust Fund Advisory Commission, terms to expire June 30, 2006, seconded by Senator Matsunaga.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3581 (Gov. Msg. No. 349):

Senator Menor moved that Stand. Com. Rep. No. 3581 be received and placed on file, seconded by Senator Matsunaga and carried.

Senator Menor then moved that the Senate advise and consent to the nomination of JAMES H. HATTAWAY, D.C., to the State Board of Chiropractic Examiners, term to expire June 30, 2006, seconded by Senator Matsunaga.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3582 (Gov. Msg. No. 350):

Senator Menor moved that Stand. Com. Rep. No. 3582 be received and placed on file, seconded by Senator Matsunaga and carried.

Senator Menor then moved that the Senate advise and consent to the nominations of KATHRYN RICE ILGEN, D.V.M., and GARY Y. MURAI to the Board of Veterinary Examiners, terms to expire June 30, 2006, seconded by Senator Matsunaga.

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3583 (Gov. Msg. No. 231):

Senator Kim moved that Stand. Com. Rep. No. 3583 be received and placed on file, seconded by Senator English and carried.

Senator Kim then moved that the Senate advise and consent to the nomination of MIKE MCCARTNEY to the Board of Directors, Hawai'i Tourism Authority, term to expire June 30, 2004, seconded by Senator English.

Senator Kim rose in support of the nominee and said:

"Mr. President, I rise to speak in support of the confirmation of Mike McCartney to the Hawaii Tourism Authority.

"As for Mike McCartney, Mr. President, he has a unique and diverse background and is no stranger to the members of this Legislature. In addition to sharing his considerable experience, Mike will offer a fresh prospective to the governance of HTA. He is one who understands the importance of having a public organization be open and responsive to its constituencies of insuring that it spends tax revenues wisely and of determining that it is held accountable to the public.

"I quote, Mr. President, from Mr. McCartney's vision statement of which you have on your desk: 'The TAT from Hawaii's hotels are assessed by the constitutional authority given to the State Legislature for the benefit of all Hawaii. We need to end the debate about whose money this is and get on with the business on hand. The money rightfully belongs to the taxpayers of this State.' He ends his vision statement by saying, 'Finally, in order to insure that there is accountability and progress is being made, the Legislature may want to consider sunseting the HTA board by June 30, 2005, to monitor its effectiveness and value to Hawaii.' I believe this body tried to put a sunset date but the House did not agree with us. We can try again next session, members.

"These perspectives have been sorely lacking, Mr. President, in the past, and new members like Mike McCartney will encourage constructive, meaningful change in the way the authority views its mission and conducts its business.

"For these reasons, Mr. President, I ask that you and all my colleagues confirm the nomination of Mike McCartney to the Hawaii Tourism Authority.

"Thank you."

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3584 (Gov. Msg. No. 311):

Senator Kim moved that Stand. Com. Rep. No. 3584 be received and placed on file, seconded by Senator English and carried.

Senator Kim then moved that the Senate advise and consent to the nomination of LORRIE LEE STONE to the Board of Directors, Hawai'i Tourism Authority, term to expire June 30, 2006, seconded by Senator English.

Senator Kim rose in support of the nominee and said:

"Mr. President, I rise to speak in support of the confirmation of Lorrie Lee Stone to the Hawaii Tourism Authority.

"Mr. President, if the Governor and the Senate are to diversify the membership of the Hawaii Tourism Authority to better reflect the diversity of issues confronting the visitor industry, then we can do no better than to involve those who bring fresh ideas, new ways of doing things, and different points of view to the work of the authority. Mr. President, Lorrie Stone certainly fits this bill. Her youth belies a tremendous amount of experience in land use planning and real estate matters. She is familiar with the challenges facing communities, developers and government, alike, as we attempt to strike a balance between growth and preservation.

"Ms. Stone is well versed on the concerns facing not only the hotel industry, but other businesses that depend on tourism for their success. She recognizes and appreciates the fact that there are many different perspectives on what directions the state's economy should take, and is fully prepared to recommend solutions that are in the public's best interest. Ms. Stone is a welcomed addition to the Hawaii Tourism Authority.

"For these reasons, Mr. President, I ask that you and all my colleagues confirm the nomination of Lorrie Stone to the Hawaii Tourism Authority.

"Thank you."

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

Ayes, 24. Noes, none. Excused, 1 (Ige).

ADOPTION OF RESOLUTION

MATTER DEFERRED FROM WEDNESDAY, APRIL 24 2002

Stand. Com. Rep. No. 3501 (H.C.R. No. 139, H.D. 1):

On motion by Senator English, seconded by Senator Hemmings and carried, the report of the Committee was adopted and H.C.R. No. 139, H.D. 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A STUDY ON VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATIONS TO DETERMINE THEIR FEASIBILITY AS VIABLE HEALTH INSURANCE PLANS FOR PUBLIC EMPLOYEES, RETIREES, AND THEIR DEPENDENTS," was adopted.

FINAL ADOPTION

S.C.R. No. 35, S.D. 1, H.D. 1:

On motion by Senator English, seconded by Senator Hemmings and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 35, S.D. 1, and S.C.R. No. 35, S.D. 1, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION SUPPORTING THE COLLABORATIVE EFFORTS AND THE PARTNERING INITIATIVES OF THE VETERANS' ADMINISTRATION (VA) STATE HOME CONSTRUCTION OFFICE IN WASHINGTON, D.C., THE HAWAII HEALTH SYSTEMS CORPORATION, THE HAWAII VA MEDICAL AND REGIONAL OFFICE CENTER (VAMROC), AND THE HAWAII OFFICE OF VETERANS' SERVICES, TO ESTABLISH A STATE-OF-THE-ART VA STATE HOME FACILITY ON THE CAMPUS OF THE HILO MEDICAL CENTER WHICH WILL PROVIDE CRITICALLY NEEDED, HIGH QUALITY, ACCESSIBLE LONG-TERM CARE SERVICES TO VA BENEFICIARIES RESIDING IN EAST HAWAII COUNTY," was Finally Adopted.

S.C.R. No. 48, S.D. 1, H.D. 1:

On motion by Senator English, seconded by Senator Hemmings and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 48, S.D. 1, and S.C.R. No. 48, S.D. 1, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO REASSESS THE SOCIAL AND FINANCIAL EFFECTS OF REQUIRING HEALTH INSURERS TO OFFER COVERAGE FOR SERVICES PROVIDED BY COMPLEMENTARY ALTERNATIVE CARE PROVIDERS," was Finally Adopted.

S.C.R. No. 63, H.D. 1:

On motion by Senator English, seconded by Senator Hemmings and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 63, and S.C.R. No. 63, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THAT A TASK FORCE BE CONVENED TO STUDY THE FEASIBILITY OF HAVING THE DEPARTMENT OF HEALTH REGULATE TOBACCO AS A CONSUMER PRODUCT," was Finally Adopted.

S.C.R. No. 69, H.D. 1:

On motion by Senator English, seconded by Senator Hemmings and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 69, and S.C.R. No. 69, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE UNITED NATIONS TO CONSIDER THE ESTABLISHMENT IN HAWAII, OF A CENTER FOR THE HEALTH, WELFARE, AND EDUCATION OF CHILDREN, YOUTH, AND FAMILIES FOR ASIA AND THE PACIFIC AND REQUESTING SUPPORT FOR THE CENTER FROM THE PRESIDENT AND THE UNITED STATES CONGRESS," was Finally Adopted.

S.C.R. No. 100, S.D. 1, H.D. 1:

On motion by Senator English, seconded by Senator Hemmings and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 100, S.D. 1, and S.C.R. No. 100, S.D. 1, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO CONDUCT A STUDY OF THE GUARDIANS AD LITEM/ATTORNEY STATUTORY FEE REQUIREMENTS TO DETERMINE IF THERE IS A MORE EFFECTIVE MODEL THAT COULD BE ADOPTED FOR HAWAII," was Finally Adopted.

S.C.R. No. 102, H.D. 1:

On motion by Senator English, seconded by Senator Hemmings and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 102, and S.C.R. No. 102, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING FEDERAL REIMBURSEMENT RESULTING FROM THE IMPACT OF LAWFUL NONIMMIGRANTS FROM THE FEDERATED STATES OF MICRONESIA, THE REPUBLIC OF THE MARSHALL ISLANDS, AND PALAU OVER THE PAST 15 YEARS AND ADEQUATE FINANCIAL ASSISTANCE TO AMELIORATE ANY FURTHER IMPACT," was Finally Adopted.

ADOPTION OF RESOLUTIONS

MATTERS DEFERRED FROM FRIDAY, APRIL 26, 2002

Stand. Com. Rep. No. 3554 (H.C.R. No. 17):

On motion by Senator English, seconded by Senator Hemmings and carried, the joint report of the Committees was adopted and H.C.R. No. 17, entitled: "HOUSE CONCURRENT RESOLUTION AUTHORIZING THE LEASE OF EASEMENT COVERING PORTION OF SUBMERGED LANDS AT MAUNALUA, OAHU, HAWAII, FOR MAINTENANCE OF THE HAWAII KAI MARINA ENTRANCE CHANNEL PURPOSES," was adopted.

Stand. Com. Rep. No. 3555 (H.C.R. No. 72):

On motion by Senator English, seconded by Senator Hemmings and carried, the report of the Committee was adopted and H.C.R. No. 72, entitled: "HOUSE CONCURRENT RESOLUTION URGING THE HAWAII TOURISM AUTHORITY TO DEVELOP AN OVERALL STRATEGY, POLICY, AND PLAN TO AWARD TOURISM PRODUCT ENRICHMENT AND DIVERSIFICATION GRANTS," was adopted.

Stand. Com. Rep. No. 3556 (H.C.R. No. 105):

On motion by Senator English, seconded by Senator Hemmings and carried, the report of the Committee was adopted and H.C.R. No. 105, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A STUDY OF PRINTING PRODUCTS AND SERVICES UTILIZED, CONTRACTED, AND SUBCONTRACTED BY HAWAII STATE GOVERNMENT," was adopted.

Stand. Com. Rep. No. 3557 (H.C.R. No. 123):

On motion by Senator English, seconded by Senator Hemmings and carried, the report of the Committee was adopted and H.C.R. No. 123, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNITED NATIONS TO CONSIDER THE ESTABLISHMENT IN HAWAII, OF A CENTER FOR THE HEALTH, WELFARE, AND EDUCATION OF CHILDREN, YOUTH, AND FAMILIES FOR ASIA AND THE PACIFIC AND REQUESTING SUPPORT FOR THE CENTER FROM THE PRESIDENT AND THE CONGRESS OF THE UNITED STATES," was adopted.

Stand. Com. Rep. No. 3558 (S.R. No. 68, S.D. 1):

On motion by Senator English, seconded by Senator Hemmings and carried, the report of the Committee was adopted and S.R. No. 68, S.D. 1, entitled: "SENATE RESOLUTION CONVENING AN INTERIM STUDY BY THE SENATE COMMITTEE ON HEALTH AND HUMAN

SERVICES TO EXPLORE WAYS TO MAXIMIZE FEDERAL FUNDING FOR HEALTH AND HUMAN SERVICES PROGRAMS," was adopted.

Stand. Com. Rep. No. 3559 (S.R. No. 110):

On motion by Senator English, seconded by Senator Hemmings and carried, the report of the Committee was adopted and S.R. No. 110, entitled: "SENATE RESOLUTION ESTABLISHING AN INTERIM WORKING GROUP TO DISSEMINATE INFORMATION REGARDING PRESCRIPTION DRUG CARD DISCOUNT PROGRAMS OFFERED BY PHARMACEUTICAL COMPANIES," was adopted.

Stand. Com. Rep. No. 3585 (H.C.R. No. 48):

On motion by Senator English, seconded by Senator Hemmings and carried, the joint report of the Committees was adopted and H.C.R. No. 48, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE GOVERNOR AND THE PRESIDENT OF THE UNIVERSITY OF HAWAII TO ESTABLISH SISTER-STATE EDUCATIONAL, CULTURAL, AND ECONOMIC EXCHANGES BETWEEN THE STATE OF HAWAII AND THE PROVINCE OF ILOCOS SUR OF THE REPUBLIC OF THE PHILIPPINES," was adopted.

FINAL ADOPTION

S.C.R. No. 15, S.D. 1, H.D. 1:

On motion by Senator English, seconded by Senator Hemmings and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 15, S.D. 1, and S.C.R. No. 15, S.D. 1, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION CREATING A WORKING GROUP OF REPRESENTATIVES FROM HAWAIIAN ORGANIZATIONS, THE DEPARTMENT OF HAWAIIAN HOME LANDS, AND THE DEPARTMENT OF HEALTH TO FORM A COALITION TO PROVIDE BETTER ACCESS TO STATE VITAL STATISTICS RECORDS," was Finally Adopted.

S.C.R. No. 82, S.D. 1, H.D. 1:

On motion by Senator English, seconded by Senator Hemmings and carried, the Senate agreed to the amendments proposed by the House to S.C.R. No. 82, S.D. 1, and S.C.R. No. 82, S.D. 1, H.D. 1, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT AN AUDIT OF THE FAMILY COURT SYSTEM," was Finally Adopted.

ADOPTION OF RESOLUTIONS

MATTERS DEFERRED FROM FRIDAY, APRIL 26, 2002

H.C.R. No. 53, H.D. 1:

On motion by Senator English, seconded by Senator Hemmings and carried, H.C.R. No. 53, H.D. 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING ESTABLISHMENT OF A TASK FORCE TO EXAMINE STATE REGULATION OF DEATH CARE PROVIDERS," was adopted.

H.C.R. No. 101, H.D. 1:

On motion by Senator English, seconded by Senator Hemmings and carried, H.C.R. No. 101, H.D. 1, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A WORKING GROUP TO BE CONVENED TO EVALUATE AND RECOMMEND MEASURES TO ENCOURAGE THE USE OF SAFETY PROGRAMS SUCH AS THE EDDIE EAGLE PROGRAM FOR FIREARM SAFETY," was adopted.

S.R. No. 47:

On motion by Senator English, seconded by Senator Hemmings and carried, S.R. No. 47, entitled: "SENATE RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH TO DEVELOP A STRATEGIC PLAN TO COORDINATE PROGRAM SUPPORT OF SUBSTANCE ABUSE AND MENTAL HEALTH RESIDENTIAL TREATMENT PROGRAMS FOR ADOLESCENTS," was adopted.

At 11:07 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:13 o'clock a.m.

FINAL READING

MATTER DEFERRED FROM WEDNESDAY, APRIL 24, 2002

Conf. Com. Rep. No. 3-02 (H.B. No. 2382, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Kanno, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 3-02 was adopted and H.B. No. 2382, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONAL FACILITIES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

MATTER DEFERRED FROM FRIDAY, APRIL 26, 2002

Conf. Com. Rep. No. 4-02 (H.B. No. 2527, S.D. 1, C.D. 1):

On motion by Senator Kawamoto, seconded by Senator Nakata and carried, Conf. Com. Rep. No. 4-02 was adopted and H.B. No. 2527, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SAFETY INSPECTION FREQUENCIES FOR REGULATED EQUIPMENT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

Conf. Com. Rep. No. 5-02 (H.B. No. 1942, S.D. 1, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 5-02 was adopted and H.B. No. 1942, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT ESTABLISHING A COMMISSION TO CELEBRATE THE ONE-HUNDREDTH ANNIVERSARY OF THE ARRIVAL OF FILIPINOS TO HAWAII," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 6-02 (H.B. No. 1758, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator English and carried, Conf. Com. Rep. No. 6-02 was adopted and H.B. No. 1758, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DOMESTIC ABUSE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 7-02 (H.B. No. 2305, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Fukunaga and carried, Conf. Com. Rep. No. 7-02 was adopted and H.B. No. 2305, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM PROBATE CODE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 8-02 (H.B. No. 2568, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 8-02 was adopted and H.B. No. 2568, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE COLLECTION OF TAXES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 10-02 (H.B. No. 2536, S.D. 1, C.D. 1):

On motion by Senator Inouye, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 10-02 was adopted and H.B. No. 2536, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SECTION 17 OF ACT 85, SESSION LAWS OF HAWAII 1999," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 11-02 (H.B. No. 1724, S.D. 1, C.D. 1):

On motion by Senator Kawamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 11-02 was adopted and H.B. No. 1724, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL NUMBER PLATES FOR MILITARY SERVICE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 12-02 (H.B. No. 2577, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Kawamoto, seconded by Senator Inouye and carried, Conf. Com. Rep. No. 12-02 was adopted and H.B. No. 2577, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DEVELOPMENT OF PUBLIC LANDS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 15-02 (H.B. No. 2045, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Kim, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 15-02 was adopted and H.B. No. 2045, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO REVENUE BONDS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 16-02 (H.B. No. 870, S.D. 1, C.D. 1):

On motion by Senator Inouye, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 16-02 was adopted and H.B. No. 870, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 17-02 (H.B. No. 2443, H.D. 2, S.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 17-02 was adopted and H.B. No. 2443, H.D. 2, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PREVENTION OF THE FILING OF FRIVOLOUS FINANCING STATEMENTS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 19-02 (H.B. No. 1996, S.D. 1, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 19-02 was adopted and H.B. No. 1996, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ADMINISTRATION OF TAXES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 20-02 (H.B. No. 223, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Matsuura, seconded by Senator Menor and carried, Conf. Com. Rep. No. 20-02 was adopted and H.B. No. 223, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO OPTOMETRY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 22-02 (H.B. No. 2120, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Fukunaga and carried, Conf. Com. Rep. No. 22-02 was adopted and H.B. No. 2120, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM CHILD-CUSTODY JURISDICTION AND ENFORCEMENT ACT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 24-02 (H.B. No. 2427, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Matsuura and carried, Conf. Com. Rep. No. 24-02 was adopted and H.B. No. 2427, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO VICTIMS OF CRIMES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 25-02 (H.B. No. 2438, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Ihara and carried, Conf. Com. Rep. No. 25-02 was adopted and H.B. No. 2438, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO IDENTITY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 26-02 (H.B. No. 2817, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Ihara and carried, Conf. Com. Rep. No. 26-02 was adopted and H.B. No. 2817, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII RULES OF EVIDENCE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 31-02 (H.B. No. 2302, H.D. 2, S.D. 1, C.D. 1):

On motion by Senator Kawamoto, seconded by Senator Fukunaga and carried, Conf. Com. Rep. No. 31-02 was adopted and H.B. No. 2302, H.D. 2, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVERS' LICENSES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 32-02 (H.B. No. 2509, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Kawamoto, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 32-02 was adopted and H.B. No. 2509, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PARKING FOR PERSONS WITH DISABILITIES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 33-02 (H.B. No. 1842, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Matsuura, seconded by Senator Menor and carried, Conf. Com. Rep. No. 33-02 was adopted and H.B. No. 1842, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PRACTICE OF PHARMACY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 36-02 (H.B. No. 2426, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Matsuura, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 36-02 was adopted and H.B. No. 2426, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMES AGAINST CHILDREN," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 41-02 (H.B. No. 1713, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Kim and carried, Conf. Com. Rep. No. 41-02 was adopted and H.B. No. 1713, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 42-02 (H.B. No. 1715, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Kim and carried, Conf. Com. Rep. No. 42-02 was adopted and H.B. No. 1715, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 43-02 (H.B. No. 1716, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 43-02 was adopted and H.B. No. 1716, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 44-02 (H.B. No. 2832, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Menor, seconded by Senator English and carried, Conf. Com. Rep. No. 44-02 was adopted and H.B. No. 2832, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARING PLANS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 49-02 (H.B. No. 2552, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Inouye, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 49-02 was adopted and H.B. No. 2552, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEFINITION OF LANDOWNER FOR SAFE HARBOR AGREEMENTS AND HABITAT

CONSERVATION PLANS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

MATTERS DEFERRED FROM FRIDAY, APRIL 19, 2002

Conf. Com. Rep. No. 51-02 (S.B. No. 996, H.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Matsuura and carried, Conf. Com. Rep. No. 51-02 was adopted and S.B. No. 996, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT PROPOSING AMENDMENTS TO ARTICLE I, SECTION 10, OF THE HAWAII CONSTITUTION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 52-02 (S.B. No. 997, H.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Matsuura and carried, Conf. Com. Rep. No. 52-02 was adopted and S.B. No. 997, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL OFFENSES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

MATTERS DEFERRED FROM FRIDAY, APRIL 26, 2002

Conf. Com. Rep. No. 54-02 (S.B. No. 99, H.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Kim and carried, Conf. Com. Rep. No. 54-02 was adopted and S.B. No. 99, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE LIQUOR COMMISSION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 57-02 (S.B. No. 3040, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Menor, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 57-02 was adopted and S.B. No. 3040, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

Conf. Com. Rep. No. 58-02 (S.B. No. 2046, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Ihara and carried, Conf. Com. Rep. No. 58-02 was adopted and S.B. No. 2046, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GUIDE DOGS, SIGNAL DOGS, AND

SERVICE ANIMALS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 60-02 (S.B. No. 2934, H.D. 2, C.D. 1):

On motion by Senator Matsuura, seconded by Senator Kim and carried, Conf. Com. Rep. No. 60-02 was adopted and S.B. No. 2934, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 61-02 (S.B. No. 2613, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Tam, seconded by Senator Inouye and carried, Conf. Com. Rep. No. 61-02 was adopted and S.B. No. 2613, S.D. 2, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO FISHING RIGHTS AND REGULATIONS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 63-02 (S.B. No. 2290, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Matsuura, seconded by Senator Menor and carried, Conf. Com. Rep. No. 63-02 was adopted and S.B. No. 2290, S.D. 1, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO INDEPENDENT BILL REVIEWERS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 64-02 (S.B. No. 2526, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Kawamoto, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 64-02 was adopted and S.B. No. 2526, S.D. 2, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PARENTAL PREFERENCES IN GOVERNMENT CONTRACTS, PROGRAMS, AND SERVICES,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 68-02 (S.B. No. 2075, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Matsuura and carried, Conf. Com. Rep. No. 68-02 was adopted and S.B. No. 2075, S.D. 2, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO DENTAL HYGIENISTS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 70-02 (S.B. No. 2824, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Taniguchi, seconded by Senator Chun Oakland and carried, Conf. Com. Rep. No. 70-02 was adopted and S.B. No. 2824, S.D. 2, H.D. 1, C.D. 1, entitled: “A BILL

FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 74-02 (S.B. No. 2698, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Matsuura, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 74-02 was adopted and S.B. No. 2698, S.D. 2, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CHAPTER 846E, HAWAII REVISED STATUTES,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 76-02 (S.B. No. 2733, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 76-02 was adopted and S.B. No. 2733, S.D. 2, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO INSURANCE,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 77-02 (S.B. No. 2898, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Inouye, seconded by Senator Chun and carried, Conf. Com. Rep. No. 77-02 was adopted and S.B. No. 2898, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CAVE PROTECTION,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 78-02 (S.B. No. 2708, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Tam and carried, Conf. Com. Rep. No. 78-02 was adopted and S.B. No. 2708, S.D. 1, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 79-02 (S.B. No. 2234, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Matsuura, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 79-02 was adopted and S.B. No. 2234, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO SEXUAL EXPLOITATION,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 83-02 (S.B. No. 3063, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Kawamoto, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 83-02 was adopted and S.B. No. 3063, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 84-02 (S.B. No. 2757, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Nakata, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 84-02 was adopted and S.B. No. 2757, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AMENDMENTS TO ACT 253, SESSION LAWS OF HAWAII 2000," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 90-02 (S.B. No. 2666, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Buen, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 90-02 was adopted and S.B. No. 2666, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO A SEAL OF QUALITY FOR FRESH AND PROCESSED AGRICULTURAL PRODUCTS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 93-02 (S.B. No. 2078, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Nakata, seconded by Senator Kawamoto and carried, Conf. Com. Rep. No. 93-02 was adopted and S.B. No. 2078, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 95-02 (S.B. No. 2737, H.D. 1, C.D. 1):

On motion by Senator Kawamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 95-02 was adopted and S.B. No. 2737, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DISASTER RELIEF," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 98-02 (S.B. No. 2867, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Matsuura, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 98-02 was adopted and S.B. No. 2867, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 102-02 (H.B. No. 1595, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Nakata, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 102-02 was adopted and H.B. No. 1595, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 103-02 (H.B. No. 2276, H.D. 2, S.D. 1, C.D. 1):

On motion by Senator Nakata, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 103-02 was adopted and H.B. No. 2276, H.D. 2, S.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, 25. Noes, none.

Conf. Com. Rep. No. 104-02 (H.B. No. 2500, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Nakata, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 104-02 was adopted and H.B. No. 2500, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATUTORY REFERENCES AFFECTED BY ACT 253, SESSION LAWS OF HAWAII 2000," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 106-02 (H.B. No. 2018, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Buen, seconded by Senator Inouye and carried, Conf. Com. Rep. No. 106-02 was adopted and H.B. No. 2018, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LEASES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 110-02 (H.B. No. 2311, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Kanno, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 110-02 was adopted and H.B. No. 2311, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO JUDGES FOR THE CIRCUIT COURT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 114-02 (H.B. No. 1777, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 114-02 was adopted and H.B. No. 1777, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 118-02 (H.B. No. 2453, S.D. 1, C.D. 1):

On motion by Senator Tam, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 118-02 was adopted and H.B. No. 2453, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE CAPITAL LOAN PROGRAM," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 119-02 (H.B. No. 2454, S.D. 1, C.D. 1):

On motion by Senator Tam, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 119-02 was adopted and H.B. No. 2454, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENTERPRISE ZONES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 122-02 (H.B. No. 2212, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Buen, seconded by Senator Inouye and carried, Conf. Com. Rep. No. 122-02 was adopted and H.B. No. 2212, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ALIEN INVASIVE SPECIES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 123-02 (H.B. No. 2006, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Kawamoto, seconded by Senator Fukunaga and carried, Conf. Com. Rep. No. 123-02 was adopted and H.B. No. 2006, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL WASTES RECYCLING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 125-02 (H.B. No. 2761, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Matsuura, seconded by Senator Inouye and carried, Conf. Com. Rep. No. 125-02 was adopted and H.B. No. 2761, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COMMUNITY ORAL HEALTH," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 135-02 (S.B. No. 2067, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 135-02 was adopted and S.B. No. 2067, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 136-02 (S.B. No. 2068, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Kawamoto and carried, Conf. Com. Rep. No. 136-02 was adopted and S.B. No. 2068, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL REPAIR AND MAINTENANCE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 137-02 (S.B. No. 2270, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 137-02 was adopted and S.B. No. 2270, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 139-02 (S.B. No. 2831, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kawamoto and carried, Conf. Com. Rep. No. 139-02 was adopted and S.B. No. 2831, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AN EXTENSION OF THE RESIDENTIAL CONSTRUCTION AND REMODELING INCOME TAX CREDIT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 144-02 (S.B. No. 2500, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Matsuura, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 144-02 was adopted and S.B. No. 2500, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HUMAN SERVICES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 145-02 (S.B. No. 2568, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Matsuura, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 145-02 was adopted and S.B. No. 2568, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LANGUAGE ACCESS FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 150-02 (S.B. No. 2883, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Kawamoto, seconded by Senator Menor and carried, Conf. Com. Rep. No. 150-02 was adopted and S.B. No. 2883, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," having been

read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 154-02 (S.B. No. 2036, S.D. 1, H.D. 2, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 154-02 was adopted and S.B. No. 2036, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 156-02 (S.B. No. 2985, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Matsuura, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 156-02 was adopted and S.B. No. 2985, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO QUALIFIED IMPROVEMENT TAX CREDIT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2093, S.D. 1, H.D. 1:

On motion by Senator Menor, seconded by Senator Matsuura and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2093, S.D. 1, and S.B. No. 2093, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2112, S.D. 1, H.D. 1:

On motion by Senator Nakata, seconded by Senator Kanno and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2112, S.D. 1, and S.B. No. 2112, S.D. 1, H.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, 25. Noes, none.

S.B. No. 2231, S.D. 1, H.D. 1:

On motion by Senator Chun, seconded by Senator Kanno and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2231, S.D. 1, and S.B. No. 2231, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO KAHŌ'OLAWĒ ISLAND RESERVE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

MATTERS DEFERRED FROM WEDNESDAY, APRIL 24, 2002

S.B. No. 2242, S.D. 1, H.D. 1:

On motion by Senator Buen, seconded by Senator Inouye and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2242, S.D. 1, and S.B. No. 2242, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LAND LEASES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2289, S.D. 1, H.D. 2:

On motion by Senator Tam, seconded by Senator Menor and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2289, S.D. 1, and S.B. No. 2289, S.D. 1, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2422, S.D. 2, H.D. 2:

On motion by Senator Kawamoto, seconded by Senator Fukunaga and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2422, S.D. 2, and S.B. No. 2422, S.D. 2, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSPECTIONS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

S.B. No. 2628, S.D. 2, H.D. 2:

On motion by Senator Kawamoto, seconded by Senator Kanno and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2628, S.D. 2, and S.B. No. 2628, S.D. 2, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE USE OF INTOXICANTS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2667, H.D. 1:

On motion by Senator Inouye, seconded by Senator Taniguchi and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2667, and S.B. No. 2667, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2680, H.D. 1:

On motion by Senator Sakamoto, seconded by Senator Taniguchi and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2680, and S.B. No. 2680, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL FACILITIES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2715, S.D. 1, H.D. 1:

On motion by Senator Nakata, seconded by Senator Kanno and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2715, S.D. 1, and S.B. No. 2715, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

**MATTER DEFERRED FROM
WEDNESDAY, APRIL 24, 2002**

S.B. No. 2721, S.D. 1, H.D. 1:

On motion by Senator Menor, seconded by Senator Matsuura and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2721, S.D. 1, and S.B. No. 2721, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DENTAL INSURANCE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

S.B. No. 2750, S.D. 1, H.D. 2:

On motion by Senator Chun, seconded by Senator Kanno and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2750, S.D. 1, and S.B. No. 2750, S.D. 1, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

**MATTER DEFERRED FROM
WEDNESDAY, APRIL 24, 2002**

S.B. No. 2772, H.D. 1:

On motion by Senator Menor, seconded by Senator Matsuura and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2772, and S.B. No. 2772, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TATTOO ARTISTS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

S.B. No. 2774, S.D. 2, H.D. 2:

On motion by Senator Inouye, seconded by Senator Taniguchi and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2774, S.D. 2, and S.B. No. 2774, S.D. 2, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL PROGRAM FINANCING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

**MATTER DEFERRED FROM
WEDNESDAY, APRIL 24, 2002**

S.B. No. 2782, S.D. 1, H.D. 1:

On motion by Senator Matsuura, seconded by Senator Hanabusa and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2782, S.D. 1, and S.B. No. 2782, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HOSPITAL LICENSING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

S.B. No. 2784, S.D. 1, H.D. 1:

On motion by Senator Nakata, seconded by Senator Kanno and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2784, S.D. 1, and S.B. No. 2784, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2804, H.D. 1:

On motion by Senator Inouye, seconded by Senator Taniguchi and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2804, and S.B. No. 2804, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SUBLEASING OF PUBLIC LANDS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

**MATTER DEFERRED FROM
WEDNESDAY, APRIL 24, 2002**

S.B. No. 2817, S.D. 2, H.D. 1:

On motion by Senator Kawamoto, seconded by Senator Taniguchi and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2817, S.D. 2, and S.B. No. 2817, S.D. 2, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE REPEAL OF NULL AND VOID AND UNNECESSARY ADMINISTRATIVE RULES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

S.B. No. 3041, S.D. 1, H.D. 1:

On motion by Senator Sakamoto, seconded by Senator Taniguchi and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 3041, S.D. 1, and S.B. No. 3041, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION

STOREROOM REVOLVING FUND," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

THIRD READING

H.B. No. 2365:

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, H.B. No. 2365, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 2556:

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, H.B. No. 2556, entitled: "A BILL FOR AN ACT RELATING TO SECTION 13 OF ACT 15, THIRD SPECIAL SESSION LAWS OF HAWAII 2001," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3538 (H.B. No. 2708, H.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3538 was adopted and H.B. No. 2708, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ANIMAL DISEASES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3540 (H.B. No. 2518):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3540 was adopted and H.B. No. 2518, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MEDICAL SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3542 (H.B. No. 682):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3542 was adopted and H.B. No. 682, entitled: "A BILL FOR AN ACT RELATING TO CONTESTS OF OCCUPATIONAL SAFETY AND HEALTH MATTERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3543 (H.B. No. 1772):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3543 was adopted and H.B. No. 1772, entitled: "A BILL FOR AN ACT RELATING TO RESIDENCY OF POLICE OFFICER APPLICANTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3546 (H.B. No. 2481, H.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3546 was adopted and H.B. No. 2481, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL SERVICE EXEMPTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3548 (H.B. No. 2478):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3548 was adopted and H.B. No. 2478, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT STATUS OF PERSONNEL OF THE HAWAII NATIONAL GUARD YOUTH CHALLENGE ACADEMY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3550 (H.B. No. 2538):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3550 was adopted and H.B. No. 2538, entitled: "A BILL FOR AN ACT RELATING TO AQUATIC RESOURCES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3551 (H.B. No. 2554):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3551 was adopted and H.B. No. 2554, entitled: "A BILL FOR AN ACT RELATING TO NONCOMMERCIAL PIERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3552 (H.B. No. 2710, H.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3552 was adopted and H.B. No. 2710, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO OCEAN LEASING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3553 (H.B. No. 2429, H.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3553 was adopted and H.B. No. 2429, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TOBACCO," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

MATTER DEFERRED FROM
FRIDAY, APRIL 19, 2002

Conf. Com. Rep. No. 2-02 (H.B. No. 1012, S.D. 1, C.D. 1):

Senator Kanno moved that Conf. Com. Rep. No. 2-02 be adopted and H.B. No. 1012, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Ihara.

Senator Hemmings rose in support of the measure with reservations and stated:

“Mr. President, I rise to speak in favor of this legislation with reservations.

“The bill appears to allow incumbent legislators to move into a new district anytime before the primary election in the year of reapportionment, while non-incumbent candidates must be living in the district where they wish to run before they file their nomination papers. This discrepancy in deadlines is not fair and incumbents should be held to the same rules as all other candidates.

“Thank you, Mr. President.”

Senator Hogue rose to speak with reservations on the measure and said:

“Mr. President, I will be voting ‘yes’ with reservations, please.”

Senator Slom requested his vote be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 2-02 was adopted and H.B. No. 1012, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE III, SECTION 6, OF THE HAWAII CONSTITUTION, TO CHANGE THE ELIGIBILITY TO SERVE AS A MEMBER OF THE SENATE OR HOUSE OF REPRESENTATIVES,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

Conf. Com. Rep. No. 9-02 (H.B. No. 2002, S.D. 1, C.D. 1):

On motion by Senator Inouye, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 9-02 was adopted and H.B. No. 2002, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC LANDS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 13-02 (H.B. No. 1843, S.D. 1, C.D. 1):

On motion by Senator Nakata, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 13-02 was adopted and H.B. No. 1843, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO COLLECTIVE BARGAINING IN PUBLIC EMPLOYMENT,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

Conf. Com. Rep. No. 14-02 (H.B. No. 2723, H.D. 2, S.D. 1, C.D. 1):

On motion by Senator Inouye, seconded by Senator Kim and carried, Conf. Com. Rep. No. 14-02 was adopted and H.B. No. 2723, H.D. 2, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO COUNTIES,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

At 11:16 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:17 o'clock a.m.

Conf. Com. Rep. No. 21-02 (H.B. No. 741, H.D. 1, S.D. 1, C.D. 1):

Senator Kawamoto moved that Conf. Com. Rep. No. 21-02 be adopted and H.B. No. 741, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Nakata.

Senator Slom rose in opposition to the measure as follows:

“Mr. President, I rise in opposition to the bill.

“This is the so-called ‘SLAPP’ bill, the strategic lawsuit against public participation. And while it sounds good in terms of protecting and preserving rights for civil liability, what it actually does is make the description of rights incredibly vague and also requires that any motion be treated as a motion for judgment on the pleadings. So for these and other reasons, I’ll be voting ‘no.’

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 21-02 was adopted and H.B. No. 741, H.D. 1, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CIVIL LIABILITY,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

Conf. Com. Rep. No. 23-02 (H.B. No. 2315, H.D. 1, S.D. 1, C.D. 1):

Senator Kanno moved that Conf. Com. Rep. No. 23-02 be adopted and H.B. No. 2315, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Fukunaga.

Senator Slom rose in support of the measure as follows:

“Mr. President, I rise in support of this measure.

“I opposed this measure as it was originally drafted and through the redrafts to the Conference Committee because what it did was exempt labor unions from blocking ingress and egress during any kind of protest. But I notice that through the Conference process this was removed and everyone will be treated equally, so I’m very happy to support this bill.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 23-02 was adopted and H.B. No. 2315, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE OBSTRUCTION OF INGRESS OR EGRESS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Matsuura).

Conf. Com. Rep. No. 27-02 (H.B. No. 1749, H.D. 2, S.D. 1, C.D. 1):

On motion by Senator Matsuura, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 27-02 was adopted and H.B. No. 1749, H.D. 2, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ADULT RESIDENTIAL CARE HOMES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 28-02 (H.B. No. 2521, H.D. 2, S.D. 2, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 28-02 be adopted and H.B. No. 2521, H.D. 2, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kanno.

Senator Slom rose to speak against the measure and said:

"Mr. President, I rise in opposition to the bill.

"It's a very timely bill in that we heard the news from Maui in regards to the flesh-eating virus and we know that we do have from time to time emergencies, medical emergencies. However, this bill goes extremely far, too far, in my opinion, giving the Department of Health and the government sweeping powers and limiting their immunity in case they damage property or in case they provide problems for individuals in terms of quarantining and so forth.

"So we need to be vigilant. We need the powers of quarantine, which we already have. This bill goes too far.

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 28-02 was adopted and H.B. No. 2521, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONTROL OF DISEASE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

Conf. Com. Rep. No. 29-02 (H.B. No. 1730, H.D. 1, S.D. 1, C.D. 1):

Senator Kawamoto moved that Conf. Com. Rep. No. 29-02 be adopted and H.B. No. 1730, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator English rose to speak against the measure and said:

"Mr. President, I rise in opposition to this measure.

"Mr. President, in short, this raises insurance premiums, and it does so in a way that it disguises it to say that it goes into the underwriter's driver's education fund to help fund students in

school going to driver school. This is fine. This was a law that was passed. It was, in my opinion, flawed because it didn't provide for the proper funding and it didn't provide for the trainers on the neighbor islands and rural Oahu.

"What this does is try to provide that funding, Mr. President, and that's laudable. The sad part about it is that it raises the cost of insurance and doesn't allow, or it allows the insurance carriers to pass on the cost to the consumer.

"So for those reasons, Mr. President, I will be voting 'no.' Thank you."

Senator Chun rose in opposition to the measure as follows:

"Mr. President, I rise in opposition to this bill.

"Mr. President, it is laudable that we teach our children how to drive responsibly. It is laudable that we allow a fee to be assessed in order to accomplish this purpose. However, Mr. President, as I spoke earlier on this bill, it is only a band-aid fix. This fee increase does not fix the problem of not enough teachers for the driver's ed program. We're going to be here today raising the fee another dollar and we're going to find out that that's not enough, and then we're going to raise it another dollar after that and then another dollar after that.

"Mr. President, I would have hoped through the Conference Committee process that we would have looked at an overall fix in terms of how to make sure we have a sufficient number of teachers for the driver's ed program. It is more than just money. It is something we need to look at in terms of licensing them. We need to look in terms of what insurance requirement we're requiring the private teachers to do. Then and only then can we look and see that we have a good program. And until an overall fix is designed, I will vote against any increases of these funds.

"Thank you, Mr. President."

Senator Hemmings rose in opposition to the measure and said:

"Mr. President, I rise to speak against this legislation.

"I'd like to quote right from the Journal the comments of one of our Senators regarding parental responsibility. We all know that driving is a privilege. It's not a right. And this Senator said, 'What's the matter with you? You're the parent. I doubt that your son has access to the car except with your permission. And if your son can afford to drive his own car, pay for everything, pay for whatever he has to pay for, for the upkeep of the car, including insurance . . .' And she went on and on and on.

"The bottom line is this fund is low because we're paying for something that maybe parents should take responsibility for with their children. We cannot be all things to all people, most especially parents who should be taking care of their children themselves.

"But maybe this fund is low and we need to replenish it so it can be raided later, but I don't think that's appropriate either. Therefore, I'll be voting 'no' on this legislation."

Senator Chumbley rose to speak against the measure and said:

"Mr. President, I rise to speak in opposition to this.

"Colleagues, I want to bring a little bit more practical aspect to this debate on this measure. Right now, in my community it's costing students anywhere from \$400 to \$600, per student, to take the driver education training through a private provider. This bill proposes to add some additional fees. While that may be helpful to a very limited point, it's not going to address the problem that's before us.

"The problem that's before us is we're making it very difficult for young adults to learn how to drive. All of us went through that driver training program at one time, and for those who can't afford that \$400 to \$600, there is a waiting list of four to seven months in most schools for a driver education program that is provided by the schools.

"This additional fee will not resolve that problem. We need to go back to the bill that was passed several years ago and create a more user-friendly framework that will allow these young students the training that they need so they can be good drivers and they can drive past 10:00 p.m.

"I urge all of you to vote 'no.'"

Senator Kawamoto rose to speak in favor of the bill and stated:

"Mr. President, I rise to speak in favor this legislation.

"Mr. President, when we passed the bill to raise the school age children or young people from 15 to 16, we also felt it was time to improve education for the safety of all the people of the State of Hawaii. And that's the reason why we passed the bill – for safety.

"Mr. President, the concept of increasing the age of the young drivers and the desire to have good education for young drivers have meant less accidents. Fewer accidents have meant safety on the highways. And we haven't gone further enough to do the safety portion, but the bills come back later.

"But in this thing here we had the Education Department asking us for this bill. This bill would give the Department of Education \$1.4 million of funds, double the funds they currently have. We're hoping to address with this bill the doubling of the schools' education programs. We're hoping that this money, because it will create less accidents, the insurance companies will pick it up and not pass it on.

"But these are the things we need to do. If we're talking about safety, let's talk about safety, let's talk about education, and let's talk about giving the schools the opportunity to improve education for driver's ed.

"Mr. President, I urge my colleagues to vote 'aye' on this bill. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 29-02 was adopted and H.B. No. 1730, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVERS EDUCATION FUND UNDERWRITERS FEE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 15. Noes, 9 (Chumbley, Chun, English, Hemmings, Hogue, Ige, Kim, Matsunaga, Slom). Excused, 1 (Fukunaga).

Conf. Com. Rep. No. 30-02 (H.B. No. 1731, H.D. 2, S.D. 1, C.D. 1):

Senator Kawamoto moved that Conf. Com. Rep. No. 30-02 be adopted and H.B. No. 1731, H.D. 2, S.D. 1, C.D. 1, having

been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose in opposition to the measure and said:

"Mr. President, I rise in opposition to this bill.

"This will be the first of many bills that I'll be opposing today because it creates a new special fund. It's creating the motorcycle operators' education special fund. But interestingly enough, in the language of the bill the money that's going to be transferred into this fund is to be made available to the DOT. There's no requirement that the DOT use the funds for education. And, in fact, the DOT can use the funds for other purposes.

"So because this special fund like other funds have been earmarked at the beginning and then raided later on, I will be voting 'no.' Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 30-02 was adopted and H.B. No. 1731, H.D. 2, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVERS EDUCATION FUND UNDERWRITERS FEES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 4 (English, Hemmings, Hogue, Slom).

Conf. Com. Rep. No. 34-02 (H.B. No. 1901, H.D. 2, S.D. 1, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 34-02 be adopted and H.B. No. 1901, H.D. 2, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kanno.

Senator Hogue rose in opposition to the measure and said:

"Mr. President, I rise to speak in opposition to this bill.

"Colleagues, this bill is well intended because it tries to help the victim of a sexual assault by mandating that the alleged perpetrator take an HIV test. However, you've got to note the legal and medical challenges to this bill. First, how can you justify that a person charged for a crime be treated the same as a person convicted of that crime. Obviously, our justice system is based on the notion that you're innocent until proven guilty.

"Second, under this bill the court could order an HIV test for a person charged with sexual assault by showing probable cause on the preponderance of the evidence. This, of course, begs the question of how in the world are you going to decide that there is evidence of HIV transmission?

"Then on a medical basis, rather than legal, there's no point to this extra test. A blood test of the alleged perpetrator doesn't necessarily determine anything. If the alleged perpetrator contracted HIV, say, a week ago, six weeks ago, a couple of months ago, before committing the sexual assault, that fact might not show up in a blood test for up to six months.

"And finally, under current medical practice, any victim of sexual assault is constantly evaluated, constantly monitored to the six months HIV incubation stage. Thus this bill really is unnecessary. I urge you to vote 'no.'

"Thank you."

Senator English rose to speak against the measure as follows:

"Mr. President, I rise in opposition.

"I, too, will be voting 'no' on this. And I'll note that this is a Republican measure that was introduced in the House, and if their caucus in this body cannot support their own measure, then I surely cannot support it.

"Thank you, Mr. President."

Senator Chumbley rose to speak in opposition to the measure and said:

"Mr. President, I rise to speak in opposition to this measure.

"Colleagues, the good Senator from Kaneohe said it all. He really laid out the arguments from the medical aspect and from the legal aspect. Just to add a couple of short notes to his comments, this proposes to change the penal code under Section 707-730, 707-731, 707-732, 707-733(5), and 707-741. And when you look at the numbers of that, it doesn't seem to mean much. But what it really means is that if someone is arrested and charged for a sex assault in the fourth degree, fourth degree can be a simple touching or groping that they then can be mandated to have an HIV testing.

"This measure just goes way too far and to the intrusion of private rights even though the individual may or may not have been convicted or have been the perpetrator in that crime. It also creates a false sense of security for the victim. If the victim is concerned about contracting HIV, then the victim immediately should go through the testing procedures and should undergo the additional drug treatment that's available for those individuals who may have been raped.

"This bill goes too far, and I'll be voting 'no.' Thank you."

Senator Hemmings rose to speak against the measure and said:

"Mr. President, I rise to speak against this legislation.

"Mr. President, I rise to speak against this legislation on the merit of it that was so well enunciated by the good Senator from Kaneohe and also the good Senator from the other side of Maui.

"Regarding the Senator's comments from Hana, I'd like to report that the Republican Senate Minority, we're not part of a rubber stamp machine. We just don't go through the Order of the Day and put our hands up simply because it's politically correct or because the powers to be have mandated it. We oftentimes vote our conscience and we vote on the merit of an issue, not strictly the politics. Unfortunately, I see that occasionally happen in the Senate where Senators vote against the Majority, but that's because they're not members of the loyal opposition, they're members . . . well, I won't say it. (Laughter.) I guess they're members of the loyal dissidents is what I'm trying to say. I oftentimes wonder about their intent, whether it's political or on the merit of the issue.

"But I'm glad the good Senator from Maui pointed out that Republicans vote our conscience and vote on the merit of the issue and not rubber stamp each other because this Legislature for 30 years has been rubber stamping poor legislation and allowing the Governor, I might add, to send down dictates and vetoes and we just rubber stamp it or look the other way.

"So I'm proud to be voting 'no' along with the others, whatever their reasons, who are voting 'no.'"

Senator Matsunaga rose to speak in opposition to the measure and said:

"Mr. President, I rise in opposition to this measure.

"Mr. President, for the reasons so well articulated by the Senators from Kaneohe and Maui, I, too, will be voting 'no.'

"Mr. President, every one of us sympathizes with the plight of victims of sex offenses and the need to assure their physical and emotional health and safety. Nevertheless, I have serious concerns about the implications for both civil liberties and for the medical usefulness of this bill. Therefore, I will be voting 'no.'

"Thank you, Mr. President."

Senator Slom rose in opposition and said:

"Mr. President, I, too, rise in opposition to the bill.

"First of all, I don't know of any Republican bills or Democrat bills. They're either good bills or they're bad bills. And as the good Minority Floor Leader said, the best thing that we can do is vote on the merits.

"Unfortunately, this bill, as well intentioned as it is, seeks to solve a problem but does not solve that problem by the way the bill is constructed. And let there be no mistake, as the Policy Leader said before, if we're talking about someone who is convicted, then we would be all in favor of this. We're talking about someone who is charged, and as the good Senator from Maui said, those charges right now can be very broad, very vague.

"This is the only incident where someone can be forced to have this kind of injection test. We can talk about impaired driving and the choice that's given to a driver, either take the test or lose your license or it will be used against you in court. At least that individual has a choice. Under this bill, there is no choice given.

"So while we certainly sympathize with and give our support to victims in any situation, we must also be careful that we don't trample on the rights of unintended victims along the way.

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 34-02 was adopted and H.B. No. 1901, H.D. 2, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HIV TESTING FOR SEXUAL OFFENSES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 15. Noes, 10 (Chumbley, English, Fukunaga, Hemmings, Hogue, Ige, Ihara, Matsunaga, Slom, Tam).

Conf. Com. Rep. No. 35-02 (H.B. No. 771, H.D. 1, S.D. 1, C.D. 1):

Senator Kanno moved that Conf. Com. Rep. No. 35-02 be adopted and H.B. No. 771, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kawamoto.

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

"Mr. President, I rise to speak in opposition to this measure.

"This may be politically unpopular but I think it's the right thing to do. If an individual is charged and convicted and then

removed from office, I believe that you've trashed upon that person's right to appeal. This measure would remove that person from office, allow someone to be appointed in their seat, and then in the event that they are successful in their appeal, that person could be reinstated back into their office. I raised that concern during the debate when it crossed over from the House. I'm sensitive to the problem that this is difficult to try to fix from a legal perspective. But I believe we're trying to do something that is illegal here, and I would predict that this bill will be vetoed.

"Thank you."

Senator Slom rose to support the measure and said:

"Mr. President, I rise in support of this measure.

"First of all, whether or not a bill is found to be challenged legally or illegally will reside in the courts later on. And I think that when we're passing measures we should pass them because of the best knowledge that we have and because of our sincere belief on the issue.

"There's no question why this measure was introduced this year and why we're going to pass it today. And that is it is an affront to the public to have someone who has been elected and given a position of trust who tarnishes that trust, who by theft or fraud or other means has abused that trust, and then continues in office, continues to vote, continues to get benefits, continues to get salaries. I would rather err on the side of the public and the taxpayers and remove that person immediately upon conviction.

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 35-02 was adopted and H.B. No. 771, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CRIME," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Chumbley). Excused, 1 (Ihara).

Conf. Com. Rep. No. 37-02 (H.B. No. 2065, H.D. 1, S.D. 1, C.D. 1):

Senator Menor moved that Conf. Com. Rep. No. 37-02 be adopted and H.B. No. 2065, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Matsuura.

Senator Hemmings rose to speak against the measure as follows:

"Mr. President, I rise to speak against this legislation.

"This bill is beating a pathway to allowing nurses to write prescriptions. There are a number of things wrong with this, not the least of which is that the good doctors amongst us work many, many years and endure many, many hardships both financially and family wise, to become doctors. One of the real things that distinguish a doctor from any other profession within the medical care industry is the right to write prescriptions for patients. This is also a liability because it has tremendous implications on the welfare of the patients.

"I was told in discussing this bill with the former head of the HMA that the HMA did, in fact, acquiesce to the amendment of this bill regarding who is going to make the decision – the board of directors. But the reason they did is because they were blackmailed. They were told that unless they did agree to the

compromise on it, they would simply put the decision-making in the hands of the Nurses Association.

"So for this and other reasons, Mr. President, I urge my colleagues to take a long look at this and reconsider. I will be voting 'no.'

"Thank you, Mr. President."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 37-02 was adopted and H.B. No. 2065, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NURSES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Hemmings, Slom).

Conf. Com. Rep. No. 38-02 (H.B. No. 2506, H.D. 1, S.D. 1, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 38-02 be adopted and H.B. No. 2506, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Matsuura rose in support of the measure and said:

"Mr. President, I rise to speak in support of H.B. No. 2506.

"I would like to request my written comments be inserted into the Journal."

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

"Mr. President, I rise to speak in support of H.B. No. 2506, H.D. 1, S.D. 1, C.D. 1, Relating to Vital Statistics.

"In preparing the final conference draft of this bill, a section that establishes a \$20 fee for permits for removal, burial, and other disposition of bodies was deleted because the fee would have been duplicative of another section of this bill that increases the fee from \$5 to \$20 under Section 338-25.6, Hawaii Revised Statutes (HRS).

"If the Section was not deleted from this bill, the increase would appear to be a double-charge, and that is not the intent of your Committee on Conference.

"The fees in Section 338-25.6, HRS, do not refer to specific fees, but are intended to encompass the permits required for removal, burial, or other disposition of bodies, foreign permit for removal, burial, or other disposition of bodies, and the disinterment of human bodies provided for in the previous sections. The provision in H.B. No. 2506, H.D. 1, S.D. 1, C.D. 1, that increases the fee from \$5 to \$20 should be interpreted to require a \$20 fee for all of the aforementioned permits.

"Thank you, Mr. President."

Senator Slom rose in opposition to the measure as follows:

"Mr. President, I rise in opposition to the bill.

"Yes, the bill would increase fees, permit fees, from \$5 to \$20 and insert them in the special fund.

"Thank you."

Senator Chumbley rose to speak in opposition to the measure and said:

“Mr. President, I rise to speak in opposition.

“I wouldn’t have a problem with this measure if it would have allowed for all of the money to have gone to the special fund for significant changes and improvement in the administration of the program. I guess what I find objectionable is that I used to have to pay \$5 to die. I now pay \$20, but \$10 of that \$20 is going to go to the general fund. I don’t think that’s where it belongs. It should stay in the special fund.

“Thank you.”

Senator English roes to speak against the measure as follows:

“Mr. President, I rise in opposition.

“I voted against this measure all the way through Committee, through crossover and up to this point, and the reasons have been articulated by previous speaker. Mainly, I just cannot, in my good conscience, support a death tax, any type of death tax. And I guess it begs the question, if you die without family, who’s going to pay it? So I ask my colleagues to please vote against this measure.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 38-02 was adopted and H.B. No. 2506, H.D. 1, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO VITAL STATISTICS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 17. Noes, 8 (Chumbley, English, Hemmings, Hogue, Ige, Ihara, Matsunaga, Slom).

Conf. Com. Rep. No. 40-02 (H.B. No. 202, H.D. 1, S.D. 2, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 40-02 be adopted and H.B. No. 202, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kanno.

Senator Hogue rose in opposition to the measure as follows:

“Mr. President, I rise to speak in opposition to this bill.

“Since I joined this esteemed body a year ago I have repeatedly heard concerns about the rising and unbearable cost of health care and that it is being absorbed by Hawaii residents. We proceed to talk about addressing the concerns of our constituents as they plead for assistance with their health care premiums. However, at the same time we keep piling on added benefits.

“While I empathize with my constituents, I also have discovered that health care in Hawaii is heavily regulated in almost every aspect. The State has failed to recognize the scope of regulation and the costs associated with it.

“According to a Price Waterhouse Coopers study released only weeks ago, there are over 1,500 – 1,500 – mandated health benefits that exist at the state and federal level, with many more, many more on the horizon. Each mandate has its own cost and collectively they have significantly increased health care costs. For example, mandated chemical dependency treatment coverage has increased cost by 10 percent in states that have adopted such mandates. Mandated mental health benefits have added another 15 percent to cost. Such estimates

suggest that mandates have huge overall impact on health care costs.

“All together the unintended consequences of increased mandates make up 27 percent, or more than one quarter of the increase in health care costs. By adding mandate after mandate and combining them with our prepaid health care act, the State has contributed, if not directly caused the health care cost problems many of you will attempt to fix later today when you try to get rate oversight and more of HMSA.

“To use an analogy from another subject we will discuss later today, many of the mandates and regulations that will pass today will be the gasoline that fuels costs for doctors, hospitals, drug companies, and other medical suppliers and services. Ultimately, that will be all passed on to the consumer. Rising health care costs are driven by adding coverage mandates.

“It is for that reason I will be voting ‘no.’ I hope you do as well.

“Thank you, Mr. President.”

Senator Slom rose in opposition to the measure as follows:

“Mr. President, I rise in opposition to the bill, also.

“The good Senator from Kaneohe laid out the rationale and the cost of mandates, but I’d just like to say again that we have talked for years about Hawaii’s program and about how costly it is, particularly to the small business employers who make up 97 percent of the total number of businesses.

“And before the good Senator from Maui jumps up and lets me know that the President of the United States, yesterday in Crawford, Texas, made mention of additional mental health benefits in parity for everyone, let me say again that this is not Crawford, Texas. This is Honolulu, Hawaii, the only state in the Union that ever had and still has a prepaid mandatory health care act. And that’s why we oppose it because it’s bad health?”

“Thank you.”

Senator Chumbley requested his vote be cast “aye, with reservations,” and the Chair so ordered

The motion was put by the Chair and carried, Conf. Com. Rep. No. 40-02 was adopted and H.B. No. 202, H.D. 1, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO HEALTH INSURANCE,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Hogue, Slom). Excused, 1 (Menor).

Conf. Com. Rep. No. 45-02 (H.B. No. 2843, S.D. 2, C.D. 1):

Senator Kawamoto moved that Conf. Com. Rep. No. 45-02 be adopted and H.B. No. 2843, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kanno.

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

“Mr. President, I rise to speak in opposition to this measure.

“Unfortunately, members, I am compelled to oppose this measure for the simple inclusion and change of one word. Page 6, section 5, of the bill, line 8, changes the word ‘may’ to ‘shall.’ The ‘shall’ means that the official party ballots ‘shall be printed on separate ballots.’ I think that this is a foolish thing to

do at this point and it's very cost ineffective. At a time when we're very concerned about cost, I am concerned that we're doing something that is going to be a significant consequence that we are going to have to fund and we're going to find a place to get this general fund money to allocate for these purposes.

"While this particular measure does not affect the year 2002 elections, it will affect the year 2004 elections moving forward. I am extremely hopeful that all of us will reconsider what's in this measure and next year will fix this mistake, because I think it is simply a mistake. It's bad judgment.

"In late March, the Office of Elections issued a letter to this specific point, and I want to read from this because it's very compelling as to why we shouldn't do this. 'The current voting and vote counting system as purchased in 1999, just a short three years ago, does not presently have the capability to handle multiple ballots. If multiple ballots are used, the voting and vote counting system will have to be modified to address and handle this requirement. Recent conversations with the vendor indicate this would be a major programming, hardware and film-ware modification. We have yet to determine the cost of these modifications.' That's the first unknown.

"The vendor has also indicated that they may be unable to print the required number of ballots as proposed by this legislation under the current time frame. Presently, the vendor is just able to print the number of cards required and it is not known if any amount of money will help the present contractor meet the requirement to print the additional cards,' that is if we fund the need for the additional cards. 'If it is the policy of the Legislature to print ballots on separate cards, additional monies is required to be appropriated.' This will be in effect for the year 2004.

"But, for example, to print the 2000 primary elections on separate party cards, as provided under this amendment, it would have required an additional \$3,145,810.' That is based on 11 ballot cards, there's 9 party ballots, 1 non-partisan ballot, and 1 special non-partisan ballot. 'The printing of one primary election ballot is included, is included as a part of the existing \$2.5 million per election cycle contract with the vendor, Elections Systems and Software.' We already get that as one of the parts of the contract. 'The remaining 10 cards would be charged at 49 cents per card or approximately \$5 per voter. This multiplied by the number of voters registered and the additional cost of the contract would be \$3,145,000.' Software, hardware, and programming costs were not included in that number.

"In the case of this coming election, 2002, there's a possibility – possibility – of 14 parties qualifying for this election. Several years ago, as a step to make it more efficient for people to get involved in politics and run in a campaign, we made it easier to create a party. If this legislation is enacted as of now, which it won't be, this is in 2004, an additional \$4,718,715 would be required. Where's that money going to come from? It has to come from the general fund. Are we willing to spend \$4.7 million or more to just simply print the primary ballots on a single ballot? That doesn't make sense.

"There are aspects of this bill that are laudable – the automatic recounts. The other provisions in the bill are the right things to do. Unfortunately, one change in the word from 'may' to 'shall' creates a situation that we're all going to live with. Where is the 4.7 million, if this is in effect in the year 2002, going to come from? We have no idea how many parties there will be in the 2006 election, or the 2004, or the 2008. This is not good use of taxpayer money, and I hope that there is a

serious commitment to reverse this 'shall' to a 'may' at the next session.

"Thank you."

Senator Kawamoto rose in support of the measure as follows:

"Mr. President, I'm speaking for this measure.

"I just want to answer the Senator from Maui. I'm speaking about fair play, fair opportunity to win a position in either the Senate, House, Council, wherever the elected officer is. Maybe not on Maui, but here on Oahu, Mr. President, we all put up signs and banners with our last name on it. Rarely do we have a small 'd' or a small 'r' on the banners.

"Mr. President, when we go to the ballots, we look at names. We go first to the names, and the familiar names, and the people you want to vote for may be Republican or Democrat or Libertarian or what have you. You will go to that name first and select an individual.

"A few years ago we decided not to have single ballots for the primary, which is by the way our law. Our law says that we will have a closed primary. That means you cannot vote outside your party lines. But unfortunately, we don't run on party lines. We have a low run because our name.

"Mr. President, I know of one district where a Representative had 185 spoiled ballots and the reason why he had a spoiled ballot is because those 185 voted in different parties and the ballots were spoiled. This individual was beating that other individual on a 3 to 1 vote, and he lost by 7 votes.

"Mr. President, I don't know what it takes. I question the \$4 million because it comes from the Elections Officer. I question his ability to decipher the cost of the ballots because we can go in and when people register you cannot have to make as many ballots for the Democratic Party and the Republican Party as we do for the Green Party. This is if you do the same amount of ballots for all the pile. But what I'm saying, Mr. President, is that if we all work hard and we all strive hard and we all spend some money, whatever it may be to win an election, I hate to lose it because of the fact that my constituents made a mistake because the ballot itself led to that mistake. And that's what it is right now. We will have people lose in this next election because of voters voting in the primary for two separate parties.

"This situation will come on and on and on for a long time if we keep the same parties and the same ballot. Granted, maybe we didn't have the education, but you can have all the education you want to but if you provide the ability to make that mistake, you will always have unintentional voting for different people.

"Therefore, Mr. President, I urge my colleagues to vote 'aye' on this bill. Thank you."

Senator Sakamoto rose in support of the measure and said:

"Mr. President, I rise in support of the measure.

"Hearing both sides I think the challenge would be for the Office of Elections and the vendor in this coming election to see how well they can guesstimate or estimate how many ballots would be needed if indeed we have 14 parties and use this election to determine how they best can handle the next election.

"I think it's not rocket science and I think it's an ability to move ballots from a polling station to another, or have printers available where you can print out ballots. You don't have to

have mega-ballots at every location. I think there are ways to do both – have a fair election as well as minimize the cost.”

Senator Slom rose to support the measure with reservations as follows:

“Mr. President, I rise in support of the measure with reservations.

“Well, let’s see, I heard both sides or three sides of the argument too, and I think cost implications are important and I’m glad that the Senator from Maui brought that up. But the clarity with which the Senator from God’s country explained the ballot process was enough to keep me away from the ‘no’ side, so I will support it.

“However, I do have reservations as I raised earlier with this bill, and that is the provision about the mail-in procedures for special elections. And as has been pointed out on the neighbor islands, under the definition almost all the elections are special elections because they’re nonpartisan.

“My problem is that we do not have benchmarks in place and I am questioning the integrity of the mail-in process. So we have a lot of work for the Office of Elections to do, and with a new administration I think a lot of those problems will be cleared up.

“Thank you.”

Senator Ihara rose in opposition to the measure and said:

“Mr. President, I rise to speak in opposition to this measure.

“Mr. President, I believe that the solution to the problem that the Senator from Waipahu raised is not costly separate ballots, but increased voter education. If having separate ballots would cost several million dollars, just using one of those million dollars for voter education, I believe the problem would be solved.

“I also note that this legislation will not affect this coming election, so we could actually go back to the drawing board next session and come up with a bill that would include cost. If we’re going to require actions that will add costs, what I would recommend is rather than having separate ballots, use the money to increase voter education.

“Thank you, Mr. President.”

Senators Hogue, Matsunaga, English, Kim and Ige requested their votes be cast “aye, with reservations,” and the Chair so ordered

The motion was put by the Chair and carried, Conf. Com. Rep. No. 45-02 was adopted and H.B. No. 2843, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO ELECTIONS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Chumbley, Fukunaga, Ihara). Excused, 1 (Taniguchi).

At 11:57 o’clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 12:57 o’clock p.m.

Conf. Com. Rep. No. 46-02 (H.B. No. 2720, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Hanabusa, seconded by Senator Ige and carried, Conf. Com. Rep. No. 46-02 was adopted and H.B. No. 2720, H.D. 1, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE USE TAX,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 50-02 (H.B. No. 1357, H.D. 1, S.D. 2, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 50-02 be adopted and H.B. No. 1357, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Slom rose in opposition to the measure as follows:

“Mr. President, I rise in opposition to the bill.

“The bill, as it emerged from Conference, now specifies that no more than \$230,000 of the hospital and medical facilities special fund can be used during a fiscal year for purposes other than hospital and medical facilities is for education. In addition, it says that any amount in excess of \$356,000 at the end of each fiscal year will be deposited into the general fund. And while the State may charge a reasonable fee to offset administration costs, the State cannot transfer the surplus of the set figure annually to the general fund as this bill attempts to do. If a fee is not needed to offset costs but in fact is used as a revenue-generating device, the fee is unreasonable and invalid and should be eliminated.

“I’m in opposition. Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 50-02 was adopted and H.B. No. 1357, H.D. 1, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO HEALTH,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Slom). Excused, 1 (Menor).

FINAL READING

MATTER DEFERRED FROM THURSDAY, APRIL 25, 2002

Conf. Com. Rep. No. 53-02 (S.B. No. 2732, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Kanno, seconded by Senator Hogue and carried, Conf. Com. Rep. No. 53-02 was adopted and S.B. No. 2732, S.D. 1, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Menor).

FINAL READING

MATTERS DEFERRED FROM FRIDAY, APRIL 26, 2002

Conf. Com. Rep. No. 55-02 (S.B. No. 2964, S.D. 2, H.D. 2, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 55-02 be adopted and S.B. No. 2964, S.D. 2, H.D. 2, C.D. 1, having been

read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Hemmings rose to speak in favor of the measure with reservations as follows:

"I rise to speak in favor of this legislation with reservations, Mr. President and colleagues.

"This is, in a small way, an example of what's wrong with our budgeting process. We're transferring responsibilities from one agency of government to another. But on page 10 of this bill, lines 18, 19 and 20, it says 'there should be no loss of any position by the Department of Labor and Industrial Relations as a result of this Act.' In other words, if we go to one of the departments and ask them to do something for us and they immediately come back and say, 'we need more position counts and need more personnel to do it,' oftentimes we give it to them in spite of the fact that they have millions of dollars worth of vacant positions that they have not deployed and they're using the funds for other things, which in itself is disingenuous.

"But this just goes to show you how the budget grows and oftentimes there's no accountability. We're transferring a liability or a work from one department to another, but we're not reducing the size of the department that is losing the work. This is something, I think, that is pervasive throughout the budget process and something we certainly should hold the departments accountable for.

"Thank you, Mr. President."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 55-02 was adopted and S.B. No. 2964, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMISSION FOR NATIONAL AND COMMUNITY SERVICE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Slom). Excused, 2 (Buen, Kawamoto).

At 1:01 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:08 o'clock p.m.

Conf. Com. Rep. No. 56-02 (S.B. No. 3053, S.D. 2, H.D. 1, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 56-02 be adopted and S.B. No. 3053, S.D. 2, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Hemmings rose to speak against the measure and said:

"Mr. President, I rise to speak against this legislation.

"This is a new program for services formerly provided by the Department of Health that creates a new program and though it's not funded now, I'm sure in the future it will be. We don't need more programs. We need more accountability with existing programs. The Department of Health could continue to run this service without creating a new program.

"Thank you, Mr. President."

Senator Hogue requested his vote be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 56-02 was adopted and S.B. No. 3053, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC HEALTH NURSING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Hemmings, Slom).

FINAL READING

Conf. Com. Rep. No. 59-02 (S.B. No. 2926, S.D. 1, H.D. 2, C.D. 1):

Senator Sakamoto moved that Conf. Com. Rep. No. 59-02 be adopted and S.B. No. 2926, S.D. 1, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Hogue rose to speak in favor of the measure with reservations and said:

"Mr. President, I rise to speak in favor of this bill with reservations.

"The bill will require the DOE to conduct a comprehensive occupational validation study of all educational officers. By the way, in 2001 this Legislature passed an Act that called for the same study. I believe it was the good Senator from Hana who noted in committee that that was the fact and that it had not happened and so he noted that we are a law-making body and we shouldn't have to call the DOE and other various agencies year after year, continuing to request the same studies and the same clean-up of the messes that they have created.

"I'm voting with reservations on this measure and hope that in the future we can finally get the DOE to answer our many questions.

"Thank you, Mr. President."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 59-02 was adopted and S.B. No. 2926, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Hemmings, Slom).

Conf. Com. Rep. No. 62-02 (S.B. No. 2816, S.D. 2, H.D. 1, C.D. 1):

Senator Sakamoto moved that Conf. Com. Rep. No. 62-02 be adopted and S.B. No. 2816, S.D. 2, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose in opposition to the measure as follows:

"Mr. President, I rise in opposition to the bill.

"Great idea, student loan for teachers, I'm all for it, but I will not support a special fund. That's what it does, it creates a special fund. I'm in opposition."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 62-02 was adopted and S.B. No. 2816, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STUDENT LOANS FOR TEACHERS," having been read

throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 65-02 (S.B. No. 2786, S.D. 1, H.D. 1, C.D. 1):

Senator Nakata moved that Conf. Com. Rep. No. 65-02 be adopted and S.B. No. 2786, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

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

“Mr. President, I rise in opposition to this bill.

“You know, this bill’s been around here longer than I have. It seems to come up every session. We can’t get it right. I’m wondering how the hoisting machines are actually working, whether anybody’s hoisting anything or what. But all I know is that this bill here is now going to increase fees and is going to provide for a half-time executive director to help the hoisting machine operators hoist the machines and schedule the schedules and do all the things.

“I don’t think we need that. We don’t need the fees. We don’t need the executive director. I’m voting ‘no.’”

Senator Hemmings rose in opposition to the measure and said:

“I will join in my opposition to this bill, S.B. No. 2786.

“Mr. President, we’re actually very subtly setting a very poor precedent here. I hope we noticed over the last several days, especially, we have been just inundated with Governor’s Messages putting more people on advisory boards and commissions. And if we start putting half-time executive directors in each commission, we’ll surely go broke . . . broker, that is. So this is a precedent. We’re starting down a road I don’t think is advisable.

“I urge my colleagues to consider it and vote ‘no.’”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 65-02 was adopted and S.B. No. 2786, S.D. 1, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE HOISTING MACHINE OPERATORS ADVISORY BOARD,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

Conf. Com. Rep. No. 66-02 (S.B. No. 796, S.D. 1, H.D. 2, C.D. 2):

By unanimous consent, action on Conf. Com. Rep. No. 66-02 and S.B. No. 796, S.D. 1, H.D. 2, C.D. 2, was deferred to the end of the calendar.

Conf. Com. Rep. No. 67-02 (S.B. No. 940, H.D. 2, C.D. 1):

On motion by Senator Menor, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 67-02 was adopted and S.B. No. 940, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO INSURANCE UNFAIR PRACTICES,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 69-02 (S.B. No. 2309, S.D. 1, H.D. 2, C.D. 1):

Senator Kawamoto moved that Conf. Com. Rep. No. 69-02 be adopted and S.B. No. 2309, S.D. 1, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kanno.

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

“Mr. President, I rise to speak in favor of the legislation with reservations.

“This bill is well intended and it exempts surfboards and other crafts that they would be absolutely ludicrous to put an EPIRB on with the exception of kayaks, which are somehow singled out and they are very similar to canoes and other small crafts where EPIRBs do not make sense. Therefore, I will be voting ‘with reservations.’

“Thank you, Mr. President.”

Senator English rose to speak in opposition to the measure and said:

“Mr. President, I rise in opposition.

“I have to applaud the crafters of the bill for at least taking into consideration our earlier objections to putting EPIRBs on jet skis, surfboards, paddle boards, etc. But, from my constituents in Hookipa and Hookipa Beach Park and Kanaha Beach Park on Maui, the windsurfers and these other people that go out past a mile, it’s kind of hard to put an EPIRB on a windsurfing device. I’m not sure if it will impact the aerial dynamics of the windsurfers as they go up and may cause them to crash.

“But nonetheless, I cannot support this because it just is not fair to these sports people and I urge my colleagues to vote ‘no.’

“Thank you.”

Senator Chumbley rose to speak against the measure as follows:

“Mr. President, I rise to speak in opposition to this measure.

“I, too, want to commend the Chair for having taken some of our concerns that were expressed at first crossover of this bill into consideration and creating some exemptions. However, I don’t believe those exemptions they created really go far enough, Mr. President.

“Kayaks and training sailboats will still be required to have an EPIRB unless they are accompanied by an escort vehicle. I borrow a kayak from a friend of mine occasionally and I don’t know if I’ve ever gone out a mile or not. I don’t have a way of measuring it, but I would suspect that it’s pretty close to that, and I’d be in violation of this law for having gone out over a mile because I can’t afford, Mr. President, to hire an EPIRB escort to go down the coastline with me to make sure that I will get my way back to Kihei at the end of that workout.

“I think what I find additionally concerning is that this does not take into consideration exemptions for windsurfers or for kite surfers. In Maui, we have probably the best windsurfing conditions in the good Senator from Kahului’s district at Hookipa Beach. We are a growing, growing industry in kite

surfing, and many, many times those kit surfers are out over a mile.

"It seems to be a little bit unreasonable that if I do take my kayak out beyond the mile and that I am fined, and then I don't use that kayak, let's say, for another 90 days, well, the fine is \$100 and it is \$100 for each day of the violation constitutes a separate offense. So let's just say I don't use it for 90 days, does that mean I have a 90 times 100 and \$9,000 fine? I think that this is just too much and it goes too far and it will do little to protect people from getting lost, so I urge you to consider this very carefully.

"Thank you."

Senator Hemmings rose to speak in opposition to the measure and said:

"Mr. President, I originally rose to speak in favor of the bill with reservations, and in hearing the compelling and logical testimony of the two good Senators from Maui and in the spirit of bipartisan cooperation, I would like to amend my vote to 'no.'

"I would also like to point out that windsurfing is in fact the industry at Paia, Maui, and a huge industry that contributes significantly to the economic well-being of many people on Maui in that area just as surfing does to our district on the North Shore called Haleiwa.

"So for these reasons, I will be joining those gentlemen in voting 'no.'"

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

"Mr. President, I rise to speak in favor of the bill.

"Mr. President, we say we cannot legislate common sense, but the other day we had a 15-foot boat trying to put in a 500-plus pound marlin, or whatever they had caught, onto the boat. They lost the boat and they were out there swimming by themselves and fortunately, Mr. President, fortunately, they had an EPIRB and they found that guy.

"This is basically, basically, what it is all about. The Coast Guard is having a decrease in their funding. If we have somebody who needs to be rescued, to go out there and say I'm sorry I cannot rescue you because we ran out of money . . . Mr. President, we're trying to save some money for the Coast Guard so we can take out the search part of this search and rescue. It costs us \$9,000 an hour. The Senator from Maui asked about his concern about the \$9,000. But this is \$9,000 an hour when the Coast Guard has to go out there.

"Mr. President, a year ago we lost two kayaks. It took two days to search for these people. Common sense – not there, and it cost us \$9,000 an hour to search for these people.

"We have the capability. We have the capability and if EPIRBs are cheap enough, the HF radios are cheap enough so that they can put some common sense to save their lives, so we can have ample, ample money to really rescue the people that we can find. That's what it's all about. It's not about inconvenience. It's not about recreational vehicles. It's about saving money for the Coast Guard to search and to rescue the people who need to be rescued.

"Thank you. I urge my colleagues to vote 'aye' on this bill."

Senator Chun rose to speak in opposition to the measure and stated:

"Mr. President, I stand in opposition to this measure.

"Mr. President, I agree with the statements made by Honorable Senator from Hana. I also would like to add my comments that while I don't have any problems with saving the Coast Guard money, I would hope that they will take into consideration that the Coast Guard would maybe reimburse us for some of the moneys that we save from this bill, if it passes.

"But Mr. President, what really concerns me the most is if the Coast Guard really, really wants to have a bill such as this, they can accomplish the same thing by amending their own rules and regulations for boats that they register and inspect to require EPIRBs. The Coast Guard already requires on certain boats within their own regulations to carry emergency signaling devices, life vests, emergency radios, and so on and so forth.

"So if this bill really is to assist the Coast Guard, the question I have is why isn't the Coast Guard doing it themselves instead of requiring the Legislature to impose this kind of requirement on kayaks, training sailboats, or other kind of vessels to be designed that we don't even have to right now.

"Obviously, the concerns raised by the Senators from Maui are what about kite boarding? That's not mentioned over here. Basically using his definition we would assume that it means that they have to have an EPIRB. Windsurfers are not included over here and again we assume that the EPIRB is required. And what's the difference between a kayak and a canoe? Do we mean a single hull canoe? Do we mean a double hull canoe? Do we mean outrigger canoe?

"There are many, many problems regarding this bill and the distinctions we're making. If we're doing this to assist the Coast Guard, I believe the Coast Guard has adequate authority right now to take care of their own concerns regarding expenses for rescue missions.

"So for those reasons and until I have some adequate basis to support this bill, I will have to vote 'no.' Thank you, Mr. President."

Senator Chumbley rose in opposition and said:

"Mr. President, may I be permitted an additional point of rebuttal in opposition to the measure.

"You know, as I was sitting here looking through the measure and listening to the good Senator from Kauai talk, the previous Senator spoke about the fines and the money. Nowhere in this bill does it say that these fines are going to be paid to the Coast Guard. Nowhere in this bill does it say that the Coast Guard will be reimbursed any of this money. In fact, it just says that a civil suit may be brought against the violator. So what's going to happen to the money? Is it going to the general fund? Is it going to a special fund? Then the good Senator from Hawaii Kai could vote 'no' on it.

"How's the money going to be used? What's it going to be for? I think that there are so many unanswered questions in this measure that it really makes no common sense to proceed.

"Thank you."

The motion was put by the Chair, Conf. Com. Rep. No. 69-02 failed to be adopted and S.B. No. 2309, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO

WATERCRAFT," having been read throughout, failed to pass Final Reading on the following showing of Ayes and Noes:

Ayes, 12. Noes, 12 (Buen, Chumbley, Chun, Chun Oakland, English, Hemmings, Hogue, Ige, Ihara, Kokubun, Matsunaga, Slom). Excused, 1 (Taniguchi).

Conf. Com. Rep. No. 71-02 (S.B. No. 859, S.D. 1, H.D. 2, C.D. 1):

Senator Kanno moved that Conf. Com. Rep. No. 71-02 be adopted and S.B. No. 859, S.D. 1, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Fukunaga.

Senator Slom rose in opposition to the measure and said:

"Mr. President, I rise in opposition to this bill.

"You know, we used to have credit for earlier parole that was called the 'good time credit,' which I think was a really nice name, but that was repealed back in 1967. And what this bill seeks to do is to provide a new scale of activities for which someone convicted of a crime can be let out earlier, even though the paroling authority has set a minimum term.

"Mr. President, I must admit that I'm a little concerned about myself because if I continue to bruise the Governor's ego and I were to go to jail, I might not qualify for the good time credits that we have here because they take into consideration such things as attendance (well, I would hope that the prisoners would attend prison), promptness, cooperation, care of materials and safety, social adjustment skills (I think I'd have a real difficult time there), housekeeping, personal hygiene, cooperation, counseling sessions, self-help groups, therapeutic and other similar skills. And all of these, Mr. President, would be very subjective in nature. So, if someone liked the progress you were making and liked your skills and your cooperation, you would get credit. If they did not, you would not.

"I don't think it's a good bill. We have the paroling authority. They already have discretion. I think we should leave it at that.

"Thank you."

Senators Chumbley and Hogue requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 71-02 was adopted and S.B. No. 859, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PAROLE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Matsunaga, Slom).

At 1:26 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:29 o'clock p.m.

There being no objections, action on S.B. No. 2179, S.D. 2, H.D. 1, C.D. 1, was advanced to consider the offering of a floor amendment.

Conf. Com. Rep. No. 163-02 (S.B. No. 2179, S.D. 2, H.D. 1, C.D. 1):

Senator Kawamoto moved that Conf. Com. Rep. No. 163-02 be adopted and S.B. No. 2179, S.D. 2, H.D. 1, C.D. 1, having

been read throughout, pass Final Reading, seconded by Senator Fukunaga.

At this time, Senator Menor requested a waiver of Senate Rule 53, which requires that floor amendments be presented to the Clerk no later than 9:00 a.m. on the session day at which a floor amendment is to be offered, and the Chair granted the waiver.

Senator Menor then offered the following amendment (Floor Amendment No. 10) to S.B. No. 2179, S.D. 2, H.D. 1, C.D. 1:

SECTION 1. Senate Bill No. 2179, S.D. 2, H.D. 1, C.D. 1, section 2, is amended by:

1. Amending line 19 on page 3 to read:

"(1) Establish wholesale and retail"; and

2. Amending line 17 on page 61 to read:

"(1) Section 2 shall take effect on July 1, 2004; and"

Senator Menor moved that Floor Amendment No. 10 be adopted, seconded by Senator Taniguchi.

Senator Menor rose in support of the amendment and said:

"Mr. President, let me offer some brief remarks in support of this particular floor amendment.

"This floor amendment would basically amend the gas price regulation provisions of this measure to delay the effective date of those provisions by an additional year to July 1, 2004.

"Mr. President, in recommending the adoption of this amendment, let me first of all state for the record my position that I believe that the bill in its present form which contains a one-year delay, instead of a two-year delay, on the gas cap pricing provisions is acceptable. I believe that the one-year delay would have afforded the Legislature and appropriate government agencies adequate time to be able to address the concerns that have been raised about this bill.

"Most importantly, I believe that the consumers of the State of Hawaii are asking for near term relief from high gasoline prices, and my concern is that any delay, any further delay, in the effective date of this measure may not be viewed favorably by the consumers of Hawaii. However, having said that, I also recognize that concerns have been raised about the potential negative impact of this measure on small gasoline station owners and those who own and operate gasoline stations in our rural areas. In that regard, I know that a two-year delay in the effective date would afford the Legislature, appropriate government agencies, and the public more than adequate time to be able to fine-tune and address these concerns adequately and effectively in the future.

"Moreover, I have been informed that our House counterparts are not inclined or would not pass this measure out unless this amendment to this important bill is made at this time. For these reasons I urge my colleagues to vote in favor of this floor amendment.

"Thank you."

Senator Hemmings rose in support of the measure with reservations and stated:

"Mr. President, I rise to speak in favor of this amendment with reservations. It's rather curious that I'm speaking in favor

of this amendment, Mr. President, but I think through it all it might have a good effect.

“First of all, Mr. President, it’s important to me to divulge to my colleagues that I am a member of the Wheaties Price Fixing Task Force, and know that Wheaties, along with gas and every other consumer product in Hawaii, is excessively over priced in the State of Hawaii.

“This effort on the part of this Legislature at this late a date is probably one of the most deceptive efforts to come down through this legislative process in a number of years, including the unprecedented dog and pony show we all saw the other night in the Committee where the Committee was not only stacked in the last minute, but also received testimony in a Conference Committee – something that’s never been done. But I’ll leave the Majority Party to deal with their own internal problems on their own recognizance.

“The reason why I’m voting in favor of this amendment, in a curious way it does a wonderful thing. It delays for another year the implementation of this fool hearty proposal. In spite of the words we hear about we need near-term relief, this does just the opposite. But therein lies its genius. It gives us two years to bury it – this bad legislation – and get rid of it once and for all.

“Therefore I am in favor of the amendment and will speak appropriately to the bill if and when it comes to the Floor for Final Reading on Thursday.

“Thank you, Mr. President.”

Senator Kawamoto rose in opposition to the amendment and said:

“Mr. President, I rise to speak against this amendment, not because the amendment is bad, but because of the process and what happened.

“Mr. President, as they threw over the C.D. 6, which we received ten minutes prior to the Conference meeting, I claimed that the conference draft was not inclusive, but exclusive, done by two or three people and arrogantly enough, thinking that they can pass this bill right over without even taking discussion, even taking understanding the conference draft.

“I offered this amendment as a self-defense measure and they refused it immediately. Now, they come back in and offer this conference draft not because of concern of the public, not because of concern of small business, but because they couldn’t pass it in the House the way it is. Let’s tell the truth and call a spade a spade. They couldn’t pass the bill in the House as drafted. That’s the reason why they’ve come up with this conference draft, which they refused to accept the day of the Conference. We offered this conference draft which offers the delay of one year.

“And to imagine the CPH Chair to say it was for the good of the small business people, that’s an out and out lie. This is because they could not handle and because of the exclusiveness of this measure. They didn’t realize that they didn’t have the votes in the House to pass this bill. And that is why it’s here today.

“Mr. President, this is a mockery, a mockery, of the way we do business in this Senate. Eight years in this Senate, Mr. President, I’ve never seen such an attempt to pass something beyond the capability of our Conference Committee – back stabbing, backbiting, working around the Conference Lead Chair. Mr. President, I’ll be voting ‘no’ not because the

amendment is bad, but because of the way the process has been going on.

“Thank you.”

Senator Inouye rose to speak in opposition to the measure and said:

“Mr. President, I’ll be speaking against the amendment.

“Mr. President, I concur with my fellow colleague from God’s country, Waipahu, that all that happened is true on Friday night in Conference. In speaking that evening, Mr. Chair, I had referenced all my opposition in support of my dealers on the Big Island. However, in speaking with many of them over the weekend, I find that this measure will not only, and the measure of the bill itself, will not only affect those on Kauai and the Big Island and, in particular, Hana, as much as it will hurt others as well. It will hurt all the dealers in the State of Hawaii, and I think this is just a bad measure.

“I think we need to visit this bill again as we suggested earlier in looking at a reso in dealing with this measure. However, in spite of that, I hope and I pray that all of you have received messages from employees of the dealerships throughout the State if you responded to their correspondence or responded to their phone calls, as well. They’re very much concerned and I think we are really putting the people at risk at this point in time. I think we’re tearing up the community throughout the State, and I think this is just a bad, bad bill.

“I urge my colleagues to vote against this amendment. Thank you, Mr. President.”

Senator Slom rose to speak against the measure as follows:

“Mr. President, I, too, rise in opposition to the amendment.

“I want to validate what the good Senator from God’s country said. I was in the audience on Friday night watching the proceedings. You know it seems that process and integrity has been one of the key issues during this entire legislative session. I’ve only been here six years but I never saw anything like it, either. And the point is that the good Senator offered in good faith an opportunity at that time, if people really wanted to amend the bill, and it was rejected because all they wanted to do was rush it through.

“From my standpoint, it doesn’t matter whether it’s one year or two years, the impact and the effect is the same. It will destroy small businesses. It will not increase competition. It will not lower prices, and it’s not going to take care of the consumers. The good Chairman from the Commerce Committee said that the consumers are demanding immediate relief. Is one year going to satisfy them? Is that our definition of relief, especially when you have to then depend on another Legislature?

“We have to look at these things honestly and directly, and the honest fact is this is a bad bill and it’s a bad amendment. So I would say, since the Chairman was honest enough to say that his preference, really, is still with the original bill, let’s give him the original bill. Please vote down this amendment.

“Thank you.”

Senator Hemmings rose again and said:

“Mr. President, I rose to speak in favor of this amendment with reservations, and after hearing the compelling arguments, I’d like to once again support my Chairman.

"I think it's really important to note that if we vote down this amendment we may be indeed killing this ill-conceived legislation, but I also want to laud a hero amongst us, someone who did not go along with the system, someone who did not go along with the boys, someone who sees the moral and the ethical high ground in the process and did what is morally correct, and that's the good Chairman of the Committee on Transportation from God's country. And this is one of the major reasons why I will be supporting his leadership in voting 'no' on this amendment.

"Thank you, Mr. President."

Senator Hogue rose to speak in opposition and stated:

"I also rise to speak in opposition to this amendment, Mr. President.

"I wanted to point out one particular story that was brought up in testimony. Many of you may have, in fact, actually received this letter. There was a gentleman by the name of Barnaby Robinson who's been going around. He's a Chevron dealer. He's been very involved in the community, and he stated that this bill, whether it goes into effect this year or next year or whenever it goes into effect, he would go out of business. And that's with all eighteen employees. So think about that when you're deciding which way to vote on this.

"On the other hand, there's the idea that somehow this is going to lower gas prices. Have you seen gas prices in our State lately? In Mililani, where the good Senator from the Commerce and Consumer Protection Committee resides, at the Costco there, \$1.43 a gallon this past week – \$1.43. Those prices are lower than the West Coast, and this bill will tie the prices to the West Coast, which will actually drive up the prices.

"We don't need this bill next year or the year after. It's anti-business. It's anti-consumer. It's anti-Hawaii. Vote 'no.'

"Thank you."

At 1:42 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:43 o'clock p.m.

At this time, Senator Slom requested a Roll Call vote.

The motion to adopt Floor Amendment No. 10 was put by the Chair and, Roll Call voting having been requested, carried on the following showing of Ayes and Noes:

Ayes, 19. Noes, 6 (Hemmings, Hogue, Inouye, Kawamoto, Slom, Tam).

Senator Menor then moved that Conf. Com. Rep. No. 163-02 be received and placed on file, seconded by Senator Taniguchi and carried.

By unanimous consent, S.B. No. 2179, S.D. 2, H.D. 1, C.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ENERGY RESOURCES," was placed on the calendar for Final Reading on Thursday, May 2, 2002.

At 1:45 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:46 o'clock p.m.

Conf. Com. Rep. No. 72-02 (S.B. No. 720, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Kim, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 72-02 was adopted and S.B. No. 720, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROHIBITION OF DISCRIMINATION BY PUBLIC ENTITIES TOWARDS INDIVIDUALS WITH DISABILITIES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Chun, Menor, Taniguchi).

Conf. Com. Rep. No. 73-02 (S.B. No. 2337, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Kawamoto, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 73-02 was adopted and S.B. No. 2337, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RACING ON HIGHWAYS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Chun, Taniguchi).

Conf. Com. Rep. No. 75-02 (S.B. No. 331, S.D. 2, H.D. 2, C.D. 1):

Senator Menor moved that Conf. Com. Rep. No. 75-02 be adopted and S.B. No. 331, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kanno.

Senator Kanno rose and said:

"Mr. President, please note my reservations."

The Chair so ordered.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 75-02 was adopted and S.B. No. 331, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Matsuura).

Conf. Com. Rep. No. 80-02 (S.B. No. 233, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Menor, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 80-02 was adopted and S.B. No. 233, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHIROPRACTIC," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Matsuura).

Conf. Com. Rep. No. 82-02 (S.B. No. 733, S.D. 1, H.D. 1, C.D. 1):

Senator Nakata moved that Conf. Com. Rep. No. 82-02 be adopted and S.B. No. 733, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Slom rose to speak in opposition to the measure and said:

"Mr. President, I rise in opposition to this bill.

"Before this bill was enacted, all small business organizations opposed it. After it was enacted, all small business organizations opposed it. We've continued to oppose it primarily because it is an additional tax on employers only, on top of the unemployment compensation tax. It has not proven successful in terms of training. What it has done is allowed certain businesses to be subsidized by other businesses, to take the money and to spend the money under the guise of training for such things as seminars, lunches, programs, forums, upgrades on computer equipment, and other things. It's also been used by governmental agencies, even though it's generated entirely by the private sector.

"The bill, from its inception, was supposed to sunset. The Department of Labor kept fighting that. This Session it was supposed to sunset again. It did not, even though there was a moratorium. And to add insult to injury, the Department of Business and Economic Development came in and testified they wanted to increase the rate, which had been 0.5 percent. They wanted to increase the rate up to 2.25 percent. Again, this is an addition to the unemployment compensation rates paid by employers and is only paid by employers.

"The rate, as it stands now, has been lowered temporarily to 0.1 percent, but the sunset date has been taken out. It's been made permanent. It's a bad bill. It is opposed by business organizations, and I urge my colleagues to vote 'no' on it."

Senator Nakata rose to speak in support of the measure and said:

"Mr. President, I rise in support of the bill.

"During the period after 9/11 this has been the one vehicle for the training of incumbent employees, and in the course of the past year, nearly 20,000 workers were put through this training program. So I would urge my colleagues to vote for this bill.

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 82-02 was adopted and S.B. No. 733, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 6 (Hemmings, Hogue, Ige, Ihara, Inouye, Slom).

Conf. Com. Rep. No. 85-02 (S.B. No. 2802, S.D. 2, H.D. 2, C.D. 1):

Senator Inouye moved that Conf. Com. Rep. No. 85-02 be adopted and S.B. No. 2802, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Menor.

Senator Chun rose to speak with reservations on the measure and said:

"Mr. President, I'd like to note my reservations on this bill.

"Mr. President, I have certain reservations on this matter, particularly in regards to the potential it has for creating sweetheart deals on valuable public lands. In addition, I note that the bill does not require that the renewable energy producer actually use the land for renewable energy production. In that

regard I see another potential for abuse in allowing this kind of land to be let out without public auction.

"I do note that it has benefits in terms of allowing these lands to be used legitimately for renewable energy resources. That's why I would support it, but I have certain concerns that I feel the bill should have addressed in Conference.

"I will be voting 'with reservations,' Mr. President."

Senator Hemmings rose to speak in favor of the measure and stated:

"Mr. President, I rise to speak in favor of this legislation.

"Mr. President and colleagues, the only abuse going on in the energy business in Hawaii is the abuse of the Hawaiian Electric Company and its subsidiary companies on the outside islands that are abusing the consumers with by far away the most excessively high electrical rates. They're doing it with the blessing and assistance of the Public Utilities Commission.

"This bill is a step in the right direction assisting renewable energy producers the opportunity to lease public lands for public purpose. If you really want to stop abuse, Majority Party, stop the abuse of Hawaiian Electric and stop the abuse of the PUC, which have created a monopoly that has drained the people of Hawaii with excessive costs. We're addressing the gas problem. It pales in comparison with the amount of money that we're throwing at the Hawaiian Electric Company.

"I might also bring in, for purposes of supporting this legislation to help diversify energy sources, that right now there is a law suit being filed against Hawaiian Electric, saying just what I've been saying all Session long that they've cooked the books on one of their plants and managed to pass on, through the PUC, excessively high rates.

"We do need to diversify our energy resources for economic and environmental reasons, and therefore this legislation is a step in the right direction.

"Thank you, Mr. President."

Senator Tam rose in support of the measure with reservations and stated:

"Mr. President, regarding S.B. No. 2802, I wish to speak in favor with reservations.

"My reservations were stated by my colleague from Kauai. The same reasons.

"Thank you."

Senator Buen requested her vote be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 85-02 was adopted and S.B. No. 2802, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LEASING OF PUBLIC LANDS TO RENEWABLE ENERGY PRODUCERS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 92-02 (S.B. No. 23, S.D. 2, H.D. 2, C.D. 1):

Senator Nakata moved that Conf. Com. Rep. No. 92-02 be adopted and S.B. No. 23, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kim.

Senator Hemmings rose to speak against the measure and said:

“Mr. President, this is a very interesting bill that I rise to speak against.

“If you look at the third paragraph of the committee report it says, ‘The purpose of the bill is to authorize paid,’ paid money, ‘leave for state and county employees performing disaster relief services as a certified American Red Cross disaster volunteer.’ It seems to me that the good people of this country rally to the cause of the needy and those in need of relief by volunteering free and now we’re starting to pay volunteers in this particular area, interestingly enough, public employees. I think it’s a bad precedent.

“It’s something that the private sector cannot afford. When the good people of this State in the private sector provide relief, they provide it out of their own good will and out of their hearts and out of their pocketbooks and they don’t ask to be paid for it.

“Therefore, I urge my colleagues to rethink this illogical bill and vote ‘no.’”

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

“Mr. President, I rise to speak in favor of this bill.

“The benefits that the State receives from this bill is that these volunteers go to other areas where major disasters have occurred and get trained in dealing with such disasters. And I think it will be helpful to Hawaii in light of the potential for hurricanes here.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 92-02 was adopted and S.B. No. 23, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO DISASTER RELIEF,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Hemmings, Slom).

Conf. Com. Rep. No. 94-02 (S.B. No. 2724, S.D. 2, H.D. 1, C.D. 1):

Senator Menor moved that Conf. Com. Rep. No. 94-02 be adopted and S.B. No. 2724, S.D. 2, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Hogue rose to speak against the measure and said:

“Mr. President, I rise very quickly here to tell you that I will oppose this bill.

“It creates new fees. It’s bad for business, and I’ll be voting ‘no.’

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 94-02 was adopted and S.B. No. 2724, S.D. 2, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO

REAL ESTATE,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

Conf. Com. Rep. No. 96-02 (S.B. No. 1188, S.D. 2, H.D. 2, C.D. 1):

Senator Kanno moved that Conf. Com. Rep. No. 96-02 be adopted and S.B. No. 1188, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Chumbley rose in support of the measure and stated:

“Mr. President, I rise to speak in support of this measure.

“Colleagues, a few months ago the editorial board of the Honolulu Advertiser wrote a fairly strong worded editorial about the issue of drug treatment for first-time offenders. We had a good lengthy discussion on that issue here on this Floor, and I’d like to publicly commend the Chair of this Committee from Ewa Beach, congratulations . . . and back at ya, Advertiser!”

Senator Chun rose to speak in favor of the measure as follows:

“Mr. President, I’d like to stand in support of this measure.

“Mr. President, I’d like to repeat and also agree with the statements made by the Honorable Senator from Maui and I’d like to congratulate the Chair of Judiciary for moving this bill forward. It’s been a hard fought bill. There were many issues that needed to be discussed, and I think in the end we came out with a better bill.

“This bill will save the State money. It will allow us to stop the rotating doors of prisoners going back to prison again after being released. This will hopefully, hopefully, give people treatment for their real problems. And I really applaud the Chair, again, for going ahead with this bill, even going so far as to doing a constitutional amendment. But I think we have done a good job and I think this is one of the things we can be proud of today.

“Thank you, Mr. President.”

Senator Hemmings rose in support of the measure with reservations and stated:

“Mr. President, I rise to speak in favor of this bill with reservations.

“I wasn’t going to do so till I heard the two compelling arguments of my colleagues voting in favor of it. I do want to point out to my good colleagues that if you go out and you steal, or if you go out and you purchase illegal drugs, which unto itself is against the law, you’re going to be extended some special treatment. You’re not going to be sent to jail or indicted or tried. You’re going to be given a second chance because you’re, quote/unquote, a ‘first-time’ offender.

“Well, there’s another disease that has to do with chemical dependency, and what we do most effectively when people do break the law is deal with it immediately. There is no ‘first-time’ offender relief. And this law had worked tremendously to curb drunk driving. When someone gets pulled over – and they’re just as much a chemical dependent as someone who’s taken illegally bought drugs – we put them in jail and take away their license and we severely fine them. And guess what? That

serves as a deterrent, and statistics regarding DUI arrests and drunk driving violations and offenses have gone down.

“But we’re doing just the opposite here, and I don’t quite understand the logic of it. Therefore my reservations, Mr. President.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 96-02 was adopted and S.B. No. 1188, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO SENTENCING FOR DRUGS AND INTOXICATING COMPOUNDS OFFENSES,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 100-02 (S.B. No. 2907, S.D. 2, H.D. 2, C.D. 1):

Senator Kim moved that Conf. Com. Rep. No. 100-02 be adopted and S.B. No. 2907, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kawamoto.

Senator Ige rose to speak in opposition to the measure and said:

“Mr. President, I rise to speak in opposition of this measure.

“Mr. President, this bill provides for a 100 percent tax credit for investments made in the Ko Olina resort and development. This tax credit can be used not only against income tax, but also against use tax, hotel transient accommodations tax, public service companies tax, insurance taxes and franchise taxes. So in essence, the tax credit can be used against a number of taxes that we’ve been very selective in providing tax credits for in the past.

“A 100 percent tax credit means that the taxpayers of the State are paying for these investments, which, because they are located in a specific development area, are designed to benefit that property owner and development, and adjacent land owners benefit from the improvements as well.

“In essence, because the tax credit amounts to 100 percent of the cost of the qualified facilities, the taxpayer ends up paying the complete cost for these facilities and yet there is no way that they get any public benefit or title that will be transferred from these facilities. This is a great departure from the past in terms of targeting tax credits to benefit an industry that we are trying to encourage or a specific group of work that we are trying to encourage.

“In addition, this bill allows the tax credit to be transferred or sold to any participating partner in the development, irrespective of what investment they make in the partnership. For example, Hawaiian Electric Company could become a partner in this venture, contribute no dollars to the project and yet receive tax credits against their public service company taxes. So in essence, this measure guarantees that the State will lose \$75 million or whatever the costs of the qualified facilities are, and the public will not get any benefit from them.

“There is a provision that after 17 years of operation that 50 percent of the income taxes generated from this aquarium or facilities revert back to the State. I guarantee you that there will be no income generated from these proposals because they’ll probably be operated as nonprofit corporations.

“I would just like to close by urging all of you to vote against this measure. The Tax Foundation of Hawaii has essentially closed their testimony in opposition to this measure stating: ‘In short, this measure should be an embarrassment to lawmakers for it is nothing more than blatant self-interest at the expense of the taxpayers.’

“There’s only a single developer that benefits from this tax credit. I urge all of you to vote against it. Thank you.”

Senator Hanabusa rose to speak in favor of the measure as follows:

“Mr. President, I rise in favor of the measure.

“Mr. President, what is being called the Ko Olina tax credit measure is very unique. It is not as we have seen tax credits in the past and it does not have the ‘pukas’ that we’ve been plagued with and embarrassed by with other tax credits that we’ve given. The Ko Olina tax credit is a cap tax cut credit of \$75 million and it can only be taken at \$7.5 million maximum credits each year.

“Mr. President, we talk about economic stimulus. We talk about somehow kick-starting this engine of ours – tourism – and yet every year we’re looking at it and no one comes up with any kind of idea. Yes, the Ko Olina tax credit is specific to an area, but it has a specific purpose, as well. We have delineated in the bill exactly what is to be built. This is not a tax credit that goes, for example, to somehow give those who are going to build a commercial development, build their home, or build a hotel, any kind of a credit. This tax credit is for the construction of specific types of things, like an aquarium, like a mammal research center, like an internship program for travel industry management, like a sports facility.

“In order to get this tax credit, Mr. President, the contractors of hotels, developers of hotels, must build this facility first. Then they can take the tax credit. That is the stimulus that will bring tourists do not find in any other form of tax credit. It doesn’t go to them for building their hotels. It goes to them for building the area and building this economy, something that it needs, like an aquarium, a world class aquarium that we haven’t been able to do with State money in Kakaako. We can do it out there.

“Colleagues, if you’ve seen Ko Olina, Ko Olina is a beautiful area. It’s got the best lagoons and that’s a perfect setting for an aquarium. And that will be an attraction that will bring tourists back to Hawaii, bring tourists to an area. Yes, it is my district, Mr. President, and I envision that that will be the beginning. And for those tourists who say that what we want to see in Hawaii is Hawaii, it is just around the corner before you get to Nanakuli. What I would like to see is, with this aquarium going, that the whole Waianae Coast will be able to become an economic engine. Maybe we can have basic native Hawaiian types of arts and crafts sold in Nanakuli, and maybe the ORNL railroad will come back to life and take people from Ko Olina to the Nanakuli area.

“This is a necessary move. And when we talk about economic stimulus, Mr. President and colleagues, we’ve got to think outside of the box. Yes, these may not be the traditional form, but we are not in traditional times. We are in times where we must become creative, and I believe that this is a very creative measure.

“This tax credit received a positive testimony from Dr. Naya who came forward and said, ‘This thing will give the State \$170 million in ten years,’ in ten years, in terms of taxed income. That’s how much tax revenue he anticipates as a result of \$7.5

million a year. We have not had that kind of testimony in favor of any tax credit yet.

"This, members and Mr. President, is the way we should start to look at tax credits. We should start to look at economic development and we should start to define economic stimulus, economic stimulus that has dynamic impact. In order for this tax credit to be used, I believe the minimum we're going to have is at least two new hotels in the Ko Olina area. Think about the construction jobs. Think about the jobs, period. Yes, it is an area, a specific area. But you know, maybe that's the only way you're going to be able to stimulate the economy if you can concentrate all that effort to a particular location.

"So I ask all of you to vote in favor of this measure. Thank you, Mr. President."

Senator Slom rose in support of the measure and said:

"Mr. President, I rise in support of the measure.

"Well, the project is not in my district, far from my district, but I support it. This measure has gone through two House drafts, two Senate drafts, and a conference draft. I sat through all of the discussions and I have to tell you that first of all I don't like tax credits. I'd rather have tax cuts and tax reductions. That's what we need. But we don't have tax cuts and tax reductions.

"Secondly, we need economic stimulus. We don't have any economic stimulus. We don't have investors and business people waiting in line to do business in Hawaii. I know we're spending \$100,000 of taxpayer money to tell us how wonderful the business climate is here, even though those of us in business know that's shibai. But we don't have people. We've had opportunities for people to invest and because of our taxes, because of our regulations, because of our mandates, they have not come.

"In this situation, the developer did come and he offered a project, and I have to tell you, I was skittish at the beginning and I was cynical, and I listened. And I listened in all of the hearings and all the discussions, and at every time, every moment, there was a change that was proposed, somebody said, 'Oh, this is not good because you're going to get too much of this.' The developer said, 'Okay, what do you want?' And he changed it, right up to the Conference Committee, right up through the Conference Committee. He even called the bluff of the Governor because the Governor from the very beginning didn't like it. You know why the Governor didn't like it, because it's not his project. He wants his fish tank to be built by the taxpayers down in Kakaako. This is a private investment. And so every time he said something, the developer said, 'What do you want?' He wanted the State to control it. The developer said, 'Okay, after x-number of years the State will have it. The State will have the revenues. The State will have the infrastructure. The State will have control, if that's what you want.'

"I never saw a developer come in here and agree to so many things. I never saw a developer actually come to the hearings. Usually, we read about them in the paper. But they were here and they were working with people to try to make this an economic go for an area that's noted for its high unemployment and welfare.

"Now, we do all this talking about wanting to get people off welfare. We want to make them self-sustaining. We want to give them something to do. And here's an opportunity to do something, and then we say, but not this; we don't want them to do this.

"This is the only offer in town. It's not credit specific because if somebody else wants to come by and wants to do something, they, too, can qualify for this. But no one else has come forward.

"Now, the Governor said last night he's going to veto the bill, unless he sees other investors come forward. How can other investors come forward if we don't give this investor and this project an opportunity?"

"And the point here is there is no tax loss. There is, as the good Senator in black from Waianae said and as the Department of Business and Economic Development and Tourism indicated, a net gain to the State in terms of revenues, in terms of jobs, in terms of diversification, in terms of new opportunities. But if it is not built, there are no credits. If it does not meet its schedule, which has been reduced, by the way, substantially, and the developer said, 'Okay, you want it in five years, we'll do it in five years,' then there is no liability to the State. This is a no-lose situation. And I think the reason that people object to this and don't like it is because we're so used to using taxpayer money and giving it to a golfing partner of a politician to develop something instead of having open hearings and open discussion and amendments and going ahead with this.

"So, from this standpoint, Mr. President, colleagues, it may not be a perfect bill, and the door is wide open if anybody else wants to reach in their own pocket and invest in Waianae or invest in Hawaii Kai or invest in Pearl City. The line starts right over here. But in the meantime, this is a viable bill and act that we have that can only benefit us, and I urge support for the measure.

"Thank you."

Senator Kim rose to speak in support of the measure and stated:

"Mr. President, I, too, rise in support of the measure.

"Mr. President, I echo the words of the Senators from either sides of the island, from Hawaii Kai to Waianae. I agree with everything that they've said.

"I'd like to also add, Mr. President, that the State cannot afford, as we know, to build all of these kinds of amenities. And this State has tried. This aquarium is something that the Governor has promoted and it's funny that if it's not going to be in the area as said earlier, that he has threatened to veto the matter.

"Mr. President, when I got into the City Council back in 1985, we passed the measure to rezone the area of Ko Olina . . . 1985, almost 20 years ago. We needed to create economic stimulus out in that part of the island. And yet it has grown very, very slowly. We in government have not done enough to encourage the developers, to encourage private partnerships. So I'm very proud of this piece of legislation. I believe that if we are going to say that the Ewa side is going to be the new second city, that we're going to have a new resort area out there, then we certainly have to do things to encourage that kind of development.

"And again, we're not going to be spending it. If the developer does not invest the money, they're not going to get the tax credit. I don't know of what other tax credit that this body has passed that we required the State to receive 50 percent of the taxable income from that tax credit. And so, yes, it is an unusual tax credit; it is a different tax credit.

“As part of the Tourism Committee and looking at the Hawaii Tourism Authority and all the things that they should be doing – encouraging investment, bringing investment into Hawaii, making sure that we develop our products, that we develop attraction for tourists – that has not happened. So again, we have to look to the private industry. So we need to encourage. We need incentives like this and we need to be creative.

“I urge all the members of this body to support this legislation. Thank you.”

Senator Hemmings rose to speak in favor of the measure as follows:

“Mr. President, I rise to speak in favor of S.B. No. 2907.

“Mr. President, I’m echoing the support that has been put forth on this Floor by my colleagues from around this island, but I’d like to add another perspective that has not been mentioned. In addressing the budget, H.B. No. 1800, I talked about getting rid of liabilities – liabilities that we could turn into assets, liabilities that we’re spending money on that we could collect money on, such as the state hospital system, such as development of state harbors, such as small airports, and even the Art Taj Mahal could be turned back to the private sector for a great amount of money.

“Well this is exactly the reason that we should consider this because we’re going to be creating at no cost to taxpayers, and I might add at future benefit to the taxpayers, an aquarium. And once that has happened, we can stop funding of the state-operated aquarium and allow the private sector to create an aquarium that would be something we could be proud of that would not cost the taxpayers any money. Therefore, we’d be eliminating a liability in our books and turning it into an asset paid for by the people using it.

“Thank you, Mr. President.”

Senator Kawamoto rose to speak in favor of the measure and said:

“Mr. President, I rise to speak in favor of this bill. Mr. President, I’ve got to win some sometimes, so I might as well join the team here. (Laughter.)

“Mr. President, I talked to the developer and I went to a couple of the hearings that the Chair of TIA conducted. They did a great job on this bill. But most happily, I’d like to say that I talked to the developer, and as you know, I’m always for any kind of development that’s going to hire local people and local contractors. He assured me that 90 percent of the construction crew and people working would be Hawaii residents.

“So Mr. President, this is a good project, a good project for everyone, a good project for the working men and women of this State of Hawaii. Thank you.”

Senator Chun Oakland rose to speak in support of the measure and said:

“Mr. President, I also stand in support of this measure.

“I understand this measure actually, if we do approve this tax credit, would be able to create 3,000 permanent new positions. And the dynamic impact that is estimated over a ten-year period is approximately \$168 million. So I see this as a benefit to our residents and very much support it.

“Thank you.”

Senator Ige rose in rebuttal and said:

“Mr. President, in opposition, just one short point of rebuttal.

“There is nothing in this bill that requires that the facilities be turned over to the State. The facilities generated would remain in the private sector. And I just would like to state, you know, if this is something that actually helps foster development of these facilities throughout the State, then we should pass a general provision that allows for tax credits for these kinds of support facilities in all of our development, and that’s the point that I make. If measures like these help to make these developments feasible from the development perspective, then we ought to go ahead and allow all developers to seek credits for these types of programs.

“Thank you.”

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

“Mr. President, I stand in support of this measure.

“Mr. President, it is clear that this measure will bring benefits to the State of Hawaii, not only to the specific area of Ko Olina and the island of Oahu, but also potentially statewide. Mr. President, that’s one reason to support it. The other reason I think has been mentioned is that it signals a new way of the State doing business here. It signals a new way of cooperation, of partnership.

“While I don’t disagree with the Honorable Senator from Aiea or Pearl City that this tax credit or this idea should be applied in other areas, I think we should look to see whether or not how this works, and if it does work, expand it to other areas. But this signals a change of ideas, rather than financing it only through bonds; rather than financing it through taxpayers’ money, we could work cooperatively with the private sector to build something that will benefit the entire State. If it works well, we can apply it to another area.

“I think this is a good step forward, so I would support this bill and urge all my colleagues to do so also. Thank you, Mr. President.”

Senator Kim rose and said:

“Mr. President, just a further statement.

“While I agree that this measure should be offered to everyone if it’s good, you have to understand the hoops that we required this developer to jump through. We were criticized saying that how do we know that this is going to work. The Governor is criticizing us. I want to see the investors. So how many people out there are willing to come in and willing to go through these hoops and willing to give back 50 percent of the credits and willing to shorten the time and willing to do all of these things on their own. Please come to us and tell us, but so many times government makes it so hard for them to receive these kinds of credits and we’re asked to answer all the questions, dot all the ‘I’s, cross all the ‘T’s, in order to go ahead and do it.

“So on one hand we say open it up to everyone, on the other hand we want to make sure it’s going to work. So we’ve got to know which it is going to be, and we’ve got to be able to qualify these tax credits and the people that’s going to make sure that these tax credits will work.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 100-02 was adopted and S.B. No. 2907, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Fukunaga, Ige, Ihara).

At 2:20 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 2:29 o'clock p.m.

Conf. Com. Rep. No. 105-02 (H.B. No. 2525, H.D. 1, S.D. 2, C.D. 1):

Senator Nakata moved that Conf. Com. Rep. No. 105-02 be adopted and H.B. No. 2525, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Slom rose in opposition to the measure and said:

"Mr. President, I rise in opposition to the bill.

"Actually, this bill really doesn't change the law the way it is right now. What it does is add new regulations to Chapter 103 specifying that bidders on public works projects must certify that they intend to comply with Chapter 104 regarding required wages and so forth.

"Originally, this bill came out because allegedly some bill providers were saying that they hadn't signed that and so therefore they didn't have to comply.

"What this really does, though, is add more regulations and it affects nonprofits who are involved in construction projects, as well, forcing them to comply with Chapter 104, which is going to increase costs and probably diminish the number of self-help projects.

"So for these and other reasons I'm voting 'no.' Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 105-02 was adopted and H.B. No. 2525, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC WORKS PROJECTS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Hogue, Slom). Excused, 1 (Menor).

Conf. Com. Rep. No. 115-02 (H.B. No. 2468, H.D. 1, S.D. 1, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 115-02 be adopted and H.B. No. 2468, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Hogue rose to speak against the measure and said:

"Mr. President, I rise to speak in opposition to this bill.

"If you notice on the committee report, it says 'the purpose of this bill is to authorize the Department of Commerce and Consumer Affairs to hire consultants to assist in reviewing cemetery and pre-need funeral authority license applications.' That sounds rather reasonable, but if you continue to go on, it

says they can charge up to \$25,000 – \$25,000 in consultant fees to review the application without asking for the applicant's consent. And then after running up that enormous bill, the director could ask for a blank check to continue reviewing the application or, in fact, they could deny the application or both . . . \$25,000 or more to review an application. We should all have such a cushy job.

"Thank you. I'll be voting 'no.'"

Senator Slom rose to speak in opposition also and said:

"Mr. President, I'll be voting 'no' also.

"The idea of hiring consultants – this is what the DCCA is supposed to be doing. This is why they have personnel and they have been doing it up until this point. And it will increase the cost of dying and I'm very worried about my colleague from the Island of Maui because he already has to pay that additional fee of \$20 when he dies. This would tack on an additional fee, so I'm urging my colleagues to vote 'no' to save the Senator from Maui."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 115-02 was adopted and H.B. No. 2468, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CEMETERY AND FUNERAL TRUSTS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Hogue, Slom). Excused, 1 (Menor).

Conf. Com. Rep. No. 117-02 (H.B. No. 2752, H.D. 1, S.D. 1, C.D. 1):

Senator Sakamoto moved that Conf. Com. Rep. No. 117-02 be adopted and H.B. No. 2752, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Chumbley rose in support of the measure with reservations and stated:

"Mr. President, I rise to speak in support of this bill with reservations.

"Unfortunately, Mr. President, today is not a good day to die for this measure. I do have concerns, however, and I support going after those individuals who are delinquent on their student loans. They have an obligation to pay and if we need to use a hammer to make them pay, then let's do it. But my concern, colleagues, is that this will create a 'Catch-22' situation. You have professionals who may have their license suspended, denied, revoked, or refused to renew or reinstate, or are going to be into a situation where if those individuals can't work, then how are they going to pay.

"I just urge DCCA to use common sense and caution on this. And let's go after and collect some money, but let's not put people out of work.

"Thank you."

Senator Hogue rose to speak in opposition to the measure and said:

"Mr. President, I rise to speak in opposition to this bill.

"This is a good day for this bill to die. Colleagues, obviously the problem of student loan collection has gone on for several

years. This is a draconian solution of the mandatory suspension of one's professional license. This measure doesn't pass the common sense test as the good Senator from Maui and Kauai alleged. This does not at all, because how in the world are you going to be able to pay off anything if you've had your license revoked, whether you are a teacher, an architect, an attorney, or a doctor.

"Second, on a legal basis, professional licenses are property rights. You can't take away a person's property without a notice or a hearing, and this bill purports to do just that.

"And third, the bill might be in conflict with the equal protection provision of the Constitution. You can't treat license holders in default differently than non-licensed holders in default. Several reasons for this bill to die today.

"Vote 'no.' Thank you."

Senator Hemmings rose to speak against the measure as follows:

"Mr. President, I rise to speak against H.B. No. 2752.

"Mr. President, to make a long story short, this is the debtor's prison bill, very archaic. As a positive alternative, we all know that you have liens and garnishments as a means of collecting unpaid debts, and why don't we just proceed with that.

"Thank you, Mr. President."

Senator English rose in support of the measure with reservations and stated:

"Mr. President, I rise to support the bill with reservations.

"You know, Mr. President and members, I just recently paid off all of my student loans, and I've decided to, as a matter of conscience, pay them off because, first of all, it's a debt that I made. I got an education out of it. And like any other type of loan, you're obliged to pay it off.

"I support this with reservations because, well, you know, I'm actually kind of pissed at those other professionals that make tons of more money than we do, like doctors and dentists and lawyers, that have not honored their debt. That's what it's about – honoring your debt.

"Now, this is draconian – that's my reservation – but they took out a debt; they should pay it back. Others have a right to that money to be loaned out to them for their education. It's like a credit card. You know, if they don't pay off their credit card, guess what happens . . . their credit gets ruined. So let's go that route. I support that.

"This is draconian. It has some legal flaws, but I support it with reservations because, hey, I paid off my student loans, so should they.

"Thank you, Mr. President."

Senator Slom rose in opposition and stated:

"Mr. President, I rise in opposition to the bill.

"The issue is not paying off debts, because we're all in support of that, absolutely. As was mentioned by my colleagues, you have several things here. First of all, you have an existing law, so if this law is killed today, that does not forgive people from paying their debts. It also does not forgive

legal remedies. As was mentioned, we have garnishment, we have liens, we have other things that we can do.

"And this matter of property rights should not be taken lightly because it is a serious and it is a major issue. And what I'm afraid of, Mr. President, is if we took away the licenses from attorneys, what would the attorneys do? They don't know how to do anything else. And God has created so many of them that they would be all over the place. So, if we can't hire them in Ko Olina, they would be wandering the place. So please vote 'no' on this bill."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 117-02 was adopted and H.B. No. 2752, H.D. 1, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONAL AND VOCATIONAL LICENSES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

Conf. Com. Rep. No. 120-02 (H.B. No. 1969, S.D. 1, C.D. 1):

Senator Sakamoto moved that Conf. Com. Rep. No. 120-02 be adopted and H.B. No. 1969, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kanno.

Senator Chumbley rose to speak against the measure and said:

"Mr. President, I rise to speak in opposition to this measure.

"I've got a great idea and in the spirit of humor, I take back what I said a few minutes ago about not being a good day to die. 'Ma'ke-die-dead' for this bill. That is the best thing that could happen today. And the good Senator from Hawaii Kai was worried about what the attorneys are going to do. Well, Mr. President, if this bill was enacted, this is going to be the Lawyers Employment Act of 2002. They'll have lots of work and no one will have to worry about it.

"On a serious note, colleagues, you've heard me speak on this issue numerous times and I'll continue to be consistent in my position. I do not believe that the Department of Education, the Board of Education should be given the authority to hire attorneys outside the practice of the Attorney General's Office. I will venture to say that this will be one of the bills that will be vetoed by the Governor. So think about your votes and let's just 'ma'ke-die-dead' right now.

"Thank you."

Senator English rose to speak against the measure and said:

"Mr. President, I rise in opposition to this measure.

"I voted 'no' on this all the way through for the reasons stated by the previous speaker and would ask that his comments be inserted as mine into the record.

"Thank you."

The Chair so ordered.

Senator Hogue rose to speak against the measure and said:

"I also rise to speak in opposition to this measure.

"In testimony, the Attorney General's Office didn't seem to know how many attorneys they employ. How many times did we ask that question, and they couldn't answer that question.

We always got conflicting numbers, in fact, and you can be assured that the folks at the DOE feel that the AG's office has been incompetent, frankly, in how they have handled the Felix mess. So they feel that they have to go out and get their own.

"Either way, it's a very, very bad situation and I urge you to vote 'no.' Thank you."

Senator Sakamoto rose in support of the measure and said:

"Mr. President, I rise to speak in support of the measure.

"I thought the previous speaker was speaking in support of the measure by his last comment. But Mr. President, I think the AG's Office has many roles and in representing the Department, especially in Felix matters and some of the matters that have come to our attention in the Education Committee, it's not clear, Mr. President, who the AG is speaking for if it's indeed for the student, for the teacher, for the administrator, for a class, for which side of the class they're speaking for in terms of a class action suit, for the taxpayer.

"Mr. President, I believe any large company – and the Department of Education is a large company – ought to be able to have someone who will represent them and their ideas. It's not only in litigation – in employment matters, in matters of safety, in matters of contracts – there are many, many matters where the Department of Education needs wise counsel. And I don't believe it's an attorney employment act, but I do believe they need wise counsel at their very hand, not someone who is at the hand of many, many pulls in different directions, Mr. President.

"So I feel that we should move forward with this measure."

Senator Tam rose to speak in support of the measure and said:

"Mr. President, I speak in favor of this bill, H.B. No. 1969, S.D. 1, C.D. 1.

"My statement is basically that we need better attorneys to represent our public education system. Proof has been shown in the past that the Department of Education has not been well represented. We have very poor quality attorneys in the Attorney General's Office.

"Thank you."

Senator Kawamoto rose to speak in favor of the measure and said:

"Mr. President, I rise to speak in favor of this bill.

"Mr. President, I think about five or six years ago, we came in and we asked the same question, the opportunity to have the Attorney General be allowed to have enough attorneys to help the special ed situation. At that time, the Attorney General gave two attorney generals, part time. Needless to say, what we have today in the Felix/Waihee case, the amounts of money we are spending, it's basically mandates that were given up instead of going to trial, were given up and not fought for. And we used to lose about 90 percent of the cases. Today, there are mandates for the cases we need because the plaintiffs have super attorneys that are dedicated just for special ed. On the other side, we have part-time attorneys.

"The current Attorney General, the reason why I supported him was because he told me at one time that he would dedicate about 16 attorneys to the Felix/Waihee and the Department of Education.

"Mr. President, this outfit is the largest law base or company that we have in the State of Hawaii. I believe that they have about 170 attorneys as deputy attorneys. Mr. President, the Department of Education has about one-third of the State's revenues dedicated to them. And if you are going to protect the DOE, you should have one-third of the state attorneys supporting them. But they don't have that. They have people on a part-time basis going in and trying to help the Department of Education. This does not suffice the need of the department.

"Therefore, Mr. President, I urge my colleagues, again, if the DOE is going to spend one-third of the State budget, they should have one-third of the legal arm to protect themselves.

"Thank you, Mr. President."

Senator Slom rose to speak in opposition to the measure and said:

"Mr. President, I rise in opposition to the bill.

"The comments made by my last two colleagues from Waipahu and Moanalua really underscore and emphasize some of the things that I've been saying today and that we've said all during this Session. What's the problem? The problem is the Attorney General's Office. The Attorney General's Office that has between 172 and 220 deputies, depending on who's doing the counting and what day it is, they have a responsibility to represent different state agencies and state personnel.

"Now, the good Senator from Waipahu said that he had gotten a personal guarantee from the Attorney General. I don't know whether he's talking about the current one or the previous one. But in any event, this is what the Attorney General's Office is supposed to be doing. They're not doing that. We're all in agreement. So what do we do? We continue to give them their budget, give them their autonomy, and then we're going to spend more money and go out and get more attorneys for the Department of Education because the AG's Office is not doing what they're supposed to do.

"This is what I mean about stopping the continual funding of those agencies, programs, and individuals that do not perform. If we did that, (a) we would either have good representation, or (b) we would have funds in which we could provide the representation that's necessary.

"So, the answer to this would have been to put limitations or restrictions or benchmarks or demands on the Department of the Attorney General. Instead, they're home free. They'll continue to ignore us, get the money, and now the DOE is asking for more money. It's not right, Mr. President, and colleagues. We should always be looking at the cause of the problem and stop worrying about all the symptoms that cause us a lot more money.

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 120-02 was adopted and H.B. No. 1969, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF EDUCATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 17. Noes, 7 (Chumbley, English, Hemmings, Hogue, Inouye, Kim, Slom). Excused, 1 (Menor).

Conf. Com. Rep. No. 126-02 (H.B. No. 2840, S.D. 2, C.D. 1):

Senator Kawamoto moved that Conf. Com. Rep. No. 126-02 be adopted and H.B. No. 2840, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Taniguchi rose and said:

“Mr. President, just note my reservations on this bill. Thank you.”

The Chair so ordered.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 126-02 was adopted and H.B. No. 2840, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO STATE GOVERNMENT,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Hogue, Slom). Excused, 1 (Menor).

Conf. Com. Rep. No. 130-02 (H.B. No. 2821, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Kawamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 130-02 was adopted and H.B. No. 2821, H.D. 1, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO STATE DEPARTMENTS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 17. Noes, 7 (Chumbley, Chun Oakland, Fukunaga, Ige, Ihara, Inouye, Matsunaga). Excused, 1 (Menor).

Conf. Com. Rep. No. 131-02 (S.B. No. 2043, S.D. 1, H.D. 1, C.D. 1):

Senator Chun moved that Conf. Com. Rep. No. 131-02 be adopted and S.B. No. 2043, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator English rose in support of the measure and said:

“Mr. President, I rise to support the measure.

“You know, Mr. President, this is one of those landmark bills. It talks about setting up a process, task force, to look at legalizing or adopting, legalizing is the wrong term, adopting into law the Hawaiian practice of ‘hanai.’ And ‘hanai’ literally means to feed and this is what the Hawaiians did. They would take children and feed them and raise them and rear them as their own. This is often to strengthen family ties, to strengthen genealogy, land issues, all sorts of things.

“But Mr. President, I’m very proud of this particular bill and applaud the introducer and the conferees on this for moving it forward, because ever since we’ve had case law in Hawaii, we’ve had a constitution in Hawaii from the 1860s on, the Hawaiian courts have always held that unless legally adopted, the ‘hanai’ children do not have the same rights as biological children. And so we would be overturning about 150 years of case law in Hawaii, and that’s why I support the task force. The task force will sort through all of these issues, look at 150-plus years of case law regarding ‘hanai’ versus ‘ho’okama’ or adoption, and try to find a way to reconcile these two so that the practice of ‘hanai’ can be recognized in the law.

“Mahalo, Mr. President. Thank you, members.”

Senator Hemmings rose to speak in favor of the measure and said:

“Mr. President, I rise to speak in favor of this bill.

“Mr. President, in the shadow of the very erudite speech we just heard, I regret that I’m not able to address this good body in Portuguese. (Laughter.) But I do want to, in supporting this bill, put on the record a disclaimer. We did learn much from our good Senator from Hana. We learned what the word ‘hanai’ means. It means to feed. And I do want the record to reflect that I did take the good Senator to dinner the other night, but I cannot afford to adopt a young Democrat. (Laughter.)

“Thank you, Mr. President.”

Senator English rose again and said:

“Mr. President, point of personal privilege.

“You know, Mr. President, I did agree to the Senator’s proposal to ‘hanai’ me and I said that with the ‘hanai,’ I also would like the legal adoption so I can inherit his property, but he wouldn’t agree to that. (Laughter.)

“Thank you, Mr. President.”

Senator Kim added:

“Mr. President, I, too, rise on a point of personal privilege.

“I’m still trying to get the good Majority Floor Leader to feed us, to ‘hanai’ us in our caucus. (Laughter.) Maybe he will do so before the end of the Session.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 131-02 was adopted and S.B. No. 2043, S.D. 1, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO ADOPTION,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 132-02 (S.B. No. 2478, H.D. 1, C.D. 1):

Senator Chun moved that Conf. Com. Rep. No. 132-02 be adopted and S.B. No. 2478, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Hogue requested his vote be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 132-02 was adopted and S.B. No. 2478, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE TRUSTEES OF THE OFFICE OF HAWAIIAN AFFAIRS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Hemmings, Slom).

Conf. Com. Rep. No. 138-02 (S.B. No. 2512, S.D. 2, H.D. 2, C.D. 1):

Senator Sakamoto moved that Conf. Com. Rep. No. 138-02 be adopted and S.B. No. 2512, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Nakata.

Senator Hogue rose in support of the measure with reservations and stated:

“Mr. President, I rise to speak in favor of this bill, with reservations.

“I see we have some charter school students up in the gallery here, and I can’t speak to you in Hawaiian but I appreciate your hard work and all of your efforts in the classroom.

“I also applaud the work that this Legislature has done for charter schools. This measure will assist in clarifying some major funding and equity obstacles that have marred the success of our charter school movement so far.

“However, they’ve also made it rather difficult for some excellent schools to be entirely successful. That’s because this measure caps the number of charter schools at 23. This measure also does not allow the charter schools equal access to certain centralized services. But there is bigger sticking point and it has to do with teachers. This measure further inhibits charter schools by not addressing the issue of probationary status and seniority for DOE certified teachers as well as non-DOE certified teachers. Currently, that language is in collective bargaining only, which would definitely put the charter schools in jeopardy.

“We must remember charter schools are public schools. Charter school teachers should be treated as public school teachers. And I wanted to bring that to everybody’s attention. I’ll still support the measure but I do have reservations.

“Thank you, Mr. President.”

Senator Hemmings rose to speak in support of the measure and said:

“Mr. President, I rise to speak in favor of this legislation.

“Mr. President, charter schools very simply prove a point that we’ve been speaking about for a number of years now, and that is, good education does not require a department of education nor a school board. Charter schools function very effectively under their recognizance of their school advisory board made up of parents, the people we say all the time we want involved, principals and teachers. It also is very cost-effective because it is bypassing the centralized bureaucracy that spends tens of millions of dollars pushing paper around.

“Unfortunately, this bill does not go far enough and it does reduce the number of charter schools in our community rather than increasing it. It is a step in the right direction. Unfortunately, it’s not big enough, but I’m urging legislators to vote in favor of hope that we can continue moving in the right direction.

“Thank you, Mr. President.”

Senator Sakamoto rose to speak in support of the measure and said:

“Mr. President, I rise in support of the measure and partly in response to comments from the previous two speakers.

“In light of the number of charter schools, at this point in time we hope that this measure does what many of us feel it should do is bring more equitable and clearer funding to the charter schools, creates a mechanism so that funding timing is improved, does allow charter schools to be more assured of their funding and which parts of the DOE budget are applicable

per pupil and which parts are not. It also would allow charter school students to play sports in the complex that the charter school is in, and several other measures.

“But in regards to the number of charter schools, I think, colleagues, we would agree that we should make sure we’re doing the right thing prior to expanding the number of charter schools. And in the future, hopefully we can entertain that idea once we have everything smooth. So, we hope so.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 138-02 was adopted and S.B. No. 2512, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CHARTER SCHOOLS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Chun).

Conf. Com. Rep. No. 151-02 (S.B. No. 2431, S.D. 2, H.D. 1, C.D. 1):

Senator Kawamoto moved that Conf. Com. Rep. No. 151-02 be adopted and S.B. No. 2431, S.D. 2, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kanno.

Senator Ihara rose in support of the measure with reservations and stated:

“Mr. President, I rise to speak in favor of this measure, with reservations.

“Mr. President, this bill intends to limit corporate contributions to candidates and PACs for a two-year election cycle, and this cap would be an aggregate amount of \$6,000. However, Mr. President, due to a drafting error in not deleting a certain provision as requested by the Executive Director of the Campaign Spending Commission, this \$6,000 corporation cap does not exist in this bill. It’s mooted out in this bill as it relates to contributions to PACs.

“Yesterday, the Executive Director of the Campaign Spending Commission wrote to our Senate Judiciary Chair saying in part that if this bill passes as currently written, it will allow inconsistent interpretations of the corporate contribution limit provision and negate the intent of the Legislature to limit corporate contributions to political candidates. He also continues to say if this language, the faulty language that still is in this bill today, if this language is not deleted, the proposed amendments to limit corporate contributions will be moot. Corporations will be allowed to circumvent the corporate contribution limits by contributing an unlimited amount to their PAC, and contribute in excess of \$6,000 corporate aggregate contribution limit to candidate committees through their PAC, which I may add is in complete opposition to the intent of this bill.

“Mr. President, the Legislature has known about this error as of yesterday, the date of this letter, and I would like to know the reason why this bill is not being amended to fix this problem. After all, we amended two bills already, earlier today that had technical amendments. So I don’t understand why we are not amending this bill, as well.

“Thank you.”

Senator Kawamoto rose in support of the measure and said:

"Mr. President, I just want to answer the concerns of the previous speaker. I'm rising for the bill, but I just want to answer his question because the caucus asked me to go and get an amendment.

"Mr. President, as the normal procedure is . . . and as for the amendments before us today – one was okay and one was, you know, didn't go through the process. Again, I checked in earnest, like I said I would, to go to the leaders of the House, and the leaders of the House did not want to make this amendment. Therefore, Mr. President, I did not offer this amendment because they would in essence, if we put it in this bill, have killed this bill.

"The Governor said this is a great bill. After we had our last meeting the executive director, Mr. Watada, said it was a great bill. Some of us over here felt that by suggesting a new amendment he was flip-flopping on the things that he said to us on the last day. So in essence, Mr. President, we felt that the correct bill as produced is not a technical error, but in essence was intended to be so.

"I urge all my colleagues to vote 'aye' on this bill."

Senator Chumbley rose in support of the measure with reservations and stated:

"Mr. President, I rise to speak in support of the bill with grave reservations.

"The previous speaker said it was intended to be so. I'm quite confused by that statement. Colleagues, if this measure is defective as the Executive Director of the Campaign Spending Commission has indicated, then it is in sense not going to do anything close to what we're attempting to do in the way of limiting the contributions from corporations.

"I would suggest that if, in fact, this measure needs an amendment, let's work it out with the House and the Senate. Let's defer this measure to the end of calendar. Let's go back and identify the problems and let's fix it. If it's meant to be intentional, well, then I think it's disingenuous that we're passing it because this is a loophole big enough to drive an 18-wheel truck through.

"Thank you."

Senator Sakamoto rose to speak on the measure with reservations and said:

"Mr. President, I rise with reservations on this measure.

"Before addressing this previous conversation, one of the reservations I have is this clause that's two years prior to notice of availability of a contract or two years subsequent to that, limiting contributions. I guess my question would be, and I'm not sure who could answer it, if this act takes effect November 6, 2002, does that mean that's the start of the two years prior or has the two years already commenced? Because, to me, that's the provision that if indeed the two years prior commences November 6, there are some people who would have to determine what they would do depending on that clause. So, would anybody be able to answer the question of when that two years prior starts?"

Senator Kawamoto responded as follows:

"We didn't put this provision in the bill. But according to Mr. Hamakawa, the Lead Chair of the House, he indicated that the implementation date would be November 6, 2002, to not affect the contributions made in this year's election.

"But as far as the contract is concerned, I would assume that it's two years prior. So if we're talking about in the year 2000 you had gotten contracts, then you can't give to the 2004 election. That's the way I interpret it."

Senator Sakamoto rose and said:

"Can I get a clarification? So if the contractors like my brother or people who give to me have given to me already, that means that they're already in the two years prior or does that mean from November 6 forward they can't give to a campaign such as mine or such as yours or such of our colleagues? Can you clarify?"

Senator Kawamoto replied:

"I'm not the executive director or the lawyer involved in this, but I would assume this to be the case. That's the reason why we had tried to make the \$6,000 to be the higher figure than the 2,000 that was provided or introduced."

At 3:04 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 3:10 o'clock p.m.

Senator Sakamoto rose and said:

"Mr. President, first, just clarifying on the previous issue about two years prior, my hope or my understanding would be we can't legislate something now if the bill doesn't take effect. So I would certainly hope that it's interpreted in force to mean from November 6th or 7th onward starts the two year period, otherwise we put many, many businesses in jeopardy.

"On the second point about the Senator from Kaimuki pointing out Mr. Watada's letter, at the Conference Committee meeting at which I was present – thanks to the good Senator from Waipahu who didn't object to my speaking out, and I apologize to those that were there for maybe sometimes speaking a little too passionately on the issue – the issue about the \$6,000 limit for corporations was brought up and there was discussion whether the limit should be 2,000 or 12,000 or 10,000. And in that discussion, the issue about how much a corporation can give being limited was brought up. One of the conferees said, 'Well, even if you're limiting how much a corporation can give directly to a candidate, they can give unlimited to a PAC.' I questioned that, and Mr. Watada was there and he was asked to respond. And at that evening of the Conference Committee he did respond that you can give unlimited to a PAC corporation. I did question him on that, but he reaffirmed that.

"Shortly after that, the conferees said we should suggest \$6,000 to be the limit. In my mind, understanding that corporations had other avenues to give, therefore the committee voted the \$6,000 limit. So I believe part of their decision was based on the fact that there was another avenue for corporations to give and certainly not limited to \$1,000.

"So, if it is a confusing issue, my hope is that a future Legislature can deal with it and unfortunately there might be unintended consequences as our Maui counterpart has often said. And I hope that we can clarify the details as we go forward and it's implemented in the spirit of fair campaigning, Mr. President."

Senator Chumbley rose to speak in support of the measure and said:

"Mr. President, I rise in support.

"I'd like to withdraw my statement about the 18-wheeler. I think the decision of the Committee was based on representations given by Mr. Watada, and they made their decision based on that information. The letter that we received subsequently appears to be a different position, and with that in mind, Mr. President, I apologize to my colleagues and put that 18-wheeler in reverse.

"Please ask the Clerk to withdraw my reservations also."

Senator Kawamoto rose and said:

"Mr. President, as you know, as far as campaign reform, for three years I've been the target of campaign reform and clean elections.

"Mr. President, I've come a long ways on this bill. And Mr. President, we tried to make it so that we fit the atmosphere and the intent of the national campaign reforms and therefore we have this bill.

"Mr. President, I urge my colleagues to vote 'aye,' but they can vote any way they want to. Thank you very much."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 151-02 was adopted and S.B. No. 2431, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Ige, Kim).

Conf. Com. Rep. No. 152-02 (S.B. No. 3028, S.D. 1, H.D. 2, C.D. 1):

Senator Kawamoto moved that Conf. Com. Rep. No. 152-02 be adopted and S.B. No. 3028, S.D. 1, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Hogue rose to speak in opposition to the measure and said:

"Mr. President, I rise to speak in opposition to this bill.

"Not only does it incur new fees on businesses, but there's another major problem going on here. I just want to give my colleagues a little background on what's going on. The companies selling these warranties claim they're selling theft deterrence because they etch a number on your car's windshield or other glass. This allegedly deters theft because the criminals are supposed to be afraid that the stolen car can be identified. The companies claim this works so well they'll reimburse you for certain expenses if your car is stolen. Only one little problem – it really doesn't deter theft because all cars come to factory with a VIN number, so this etched number actually duplicates the theft protection provided by the VIN numbers.

"What they're selling is thinly disguised, essentially over-priced insurance. So these warrantors should be regulated under the auto insurance code just like any other auto insurer, but if they were so regulated they would be prohibited for having such a low ratio of paid claims to revenue. They would not be able to make as big a profit as they do right now. So to avoid this regulation, these warrantors are trying to get a brand new section of the HRS allowing them to overcharge for premiums.

"It's ironic that we're like to pass out a bad bill later today, allowing the insurance commissioner to dictate rates for HMSA even though HMSA pays out over 90 percent of their premiums as claims while simultaneously proposing to let these vehicle warrantors pay out just a few pennies on the dollar.

"I urge you to vote 'no.' Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 152-02 was adopted and S.B. No. 3028, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE REGULATION OF WARRANTORS OF VEHICLE PROTECTION PRODUCTS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 3 (Hemmings, Hogue, Slom). Excused, 3 (Buen, Ige, Menor).

Conf. Com. Rep. No. 153-02 (S.B. No. 3018, S.D. 1, H.D. 1, C.D. 1):

Senator Sakamoto moved that Conf. Com. Rep. No. 153-02 be adopted and S.B. No. 3018, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kanno.

Senator Hogue rose in opposition to the measure as follows:

"Mr. President, I rise to speak against this bill.

"All through the legislative session you've heard cries from our constituents, cries from the public, we must reform the public school system. There was a strong push to abolish the statewide board of education and change our one statewide school district. Unfortunately, this reform measure stalled in Conference Committee without a vote-taking place.

"What we have before us, as I mentioned in Conference Committee, is pseudo reform – it looks like reform, but it isn't. Pseudo means fake. It is fake reform. All this thing does is set up a task force to study ways to reform our schools – another task force. It calls for too much input from the people who have want to stop change – the BOE, the DOE, etc., etc., etc.

"The status quo, colleagues, wants the status quo. That's all that's happening here. We could have had a chance for local control. We could have had a chance for true reform. Instead, we get fake reform. Instead, we get this. Vote 'no.'

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 153-02 was adopted and S.B. No. 3018, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Hogue, Slom). Excused, 1 (Buen).

Conf. Com. Rep. No. 155-02 (S.B. No. 2383, S.D. 2, H.D. 2, C.D. 1):

Senator Tam moved that Conf. Com. Rep. No. 155-02 be adopted and S.B. No. 2383, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose in support of the measure with reservations and stated:

“Mr. President, I rise in support of the measure with reservations.

“My reservations have to do with the description of qualified construction projects because they include the requirement for prevailing wages with private projects.

“Thank you.”

Senator Tam rose to speak in favor of the measure and said:

“Mr. President, I speak in favor of S.B. No. 2383.

“Very briefly, this legislation will assist in stimulating our economy in Hawaii. The tax credit will benefit Hawaii’s hotel industry, construction industry, etc. Thus, employment will be increased. The people of Hawaii will be employed and, therefore, will be able to eat and have a roof over the heads for their families.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 155-02 was adopted and S.B. No. 2383, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO TAXATION TO STIMULATE THE ECONOMY,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Buen).

Conf. Com. Rep. No. 162-02 (H.B. No. 1761, H.D. 1, S.D. 2, C.D. 1):

Senator Menor moved that Conf. Com. Rep. No. 162-02 be adopted and H.B. No. 1761, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Matsuura.

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

“Mr. President, I rise to speak in opposition to this bill.

“This bill is being touted as pro-consumer, but it’s not. This bill has been touted as a bill to promote oversight or a bill to promote disclosure, but it’s not. It’s going after a business that looks like it’s making too much profit or, in this case of HMSA, building up its reserves and trying to bring it down a notch or two. It’s another example of government getting involved in the business sector and over-regulating.

“This bill will allow the insurance commissioner to set so-called interim rates he or she deems excessive. That begs the obvious question – What is excessive? Are HMSA’s rates out of line with other states? Well, a check of what we’re paying here in Hawaii versus what consumers pay on the mainland says no.

“In fact, the health industry is a complex beast. Costs have continued to rise because of aging demographics and greater expectations of medical care. Health plans, hospitals, and doctors are constantly trying to find ways to deliver quality care in the most cost-effective manner.

“Rate regulation won’t work because the health plan is the middleman in the process. It doesn’t take a genius to realize that this middleman will simply adjust reimbursements to hospitals and doctors based on the limitations set by the insurance commissioner. So ultimately, the hospitals or the

doctors will be the ones who are hurt financially the most and some may eventually say enough is enough and not stay in business here in Hawaii, simply go out of business, or leave the state entirely.

“I know that’s not what you’d want. I know that’s not what the consumer wants. This is not the way to go. Please take a look at the bigger picture. Please take a look at the long-range future for the consumer and vote ‘no’ to the quick fix and vote ‘no’ to rate regulation.

“Thank you.”

Senator Menor rose to speak in favor of the measure and said:

“Mr. President, I rise to speak in favor of this measure.

“Mr. President, at the start of this legislative session, I reviewed the plate full of consumer protection issues that had been referred to our Committee, the Committee on Commerce, Consumer Protection, and Housing. I realized at that time that the Legislature had a tremendous opportunity to be able to enact a package of pro-consumer measures that would mark this Legislative session as the ‘year of the consumer.’ Today, Mr. President, we are poised to make that opportunity a reality.

“Mr. President, I respectfully request my colleagues to vote in favor of one of those pro-consumer bills that’s a part of the package to which I have referred, and that’s H.B. No. 1761, C.D. 1, which I believe represents an important milestone for the rights of consumers in Hawaii.

“As you know, Mr. President, this measure would authorize the Insurance Commissioner’s Office to exercise oversight on the setting of rates by health insurers in Hawaii. Opponents of this measure have tried to characterize this bill as an unprecedented intrusion on health insurers. They are wrong on several counts.

“First of all, 48 of 50 states have some form of rate oversight, and no state has repealed it. Moreover, this bill merely seeks to implement the same kind of rate regulation that currently applies to other lines or forms of insurance, including property, casualty and homeowners’ insurance.

“As the former Chair of the House Consumer Protection and Commerce Committee, I was deeply involved in the development of automobile insurance and workers’ compensation reforms. What I learned then applies now. I am confident that health insurance rate regulation will benefit consumers because I’ve seen the positive consumer benefits produced in the areas of automobile insurance and workers’ compensation insurance and these benefits have been realized by consumers, notwithstanding the dire predictions of various insurance companies, at the time that we adopted the auto insurance reforms of 1997, that automobile insurance rate regulations would substantially increase rates, the same or similar kinds of arguments that are being made by certain health insurers in opposition to the measure that is now before us. In fact, I would note that at the time that we debated auto insurance reform, one insurance company predicted that automobile insurance rates would increase 30 to 40 percent if the Legislature adopted the regulatory reforms that we eventually passed. Of course, Mr. President, these predictions never came true. Moreover, unlike the health insurance market, healthy competition has characterized the automobile insurance and workers’ compensation market and rate regulation has not dampened this trend.

"If rate regulation has worked well with respect to other lines of insurance, there are many reasons why rate regulation would work and would be most beneficial to consumers in the area of health insurance.

"First of all, consumers and businesses, especially small businesses, are very concerned about rising health insurance premiums. Rate oversight would at least provide assurance that these premium increases are justified and bear a reasonable relationship to the costs of health insurers.

"Moreover, it is undisputed that two major health insurers exercise unchallenged control over the health insurance market. Given the lack of competition and the ability of our major health carriers to set rates without regard to competitive forces, rate oversight will ensure that the premiums of the dominant plans are not so excessive or so low as to constitute temporary below-cost predatory pricing aimed at driving competitors from the market.

"Rate regulation will also allow consumers to know how health insurers are setting rates and to provide consumers with assurance that health insurers are not earning windfall profits at their expense, or diverting premiums to make investments or to fund the operations of for-profit subsidiaries, instead of putting them toward the health insurance costs of their subscribers.

"Other important consumer protection provisions in this bill include mandating the return of excess reserves and requiring consideration of investment gains in setting rates.

"Now, opponents of this bill argue that this bill would give the insurance commissioner unprecedented, unchecked authority and place the complex task of setting rates in the hands of a lay person. These arguments have absolutely no validity.

"First of all, in reviewing rates, the insurance commissioner must adhere to strict legal standards and can reject rates only if the data and information submitted clearly demonstrate that the rates are 'inadequate, excessive, or discriminatory.' Moreover, in evaluating rates, the insurance commissioner would be assisted by a state actuary with expertise in the health insurance area. This is exactly the review process that is currently used in the areas of automobile insurance and workers' compensation insurance, with excellent results.

"Finally, it should be pointed out that the Conference Committee made several significant amendments to improve the bill. First of all, a sunset date was inserted into the bill to insure that the impacts of the measure can be evaluated by the Legislature. Moreover, to address the concerns of the medical and health care community, the Committee redefined the term 'rate' in the bill to exclude the setting of any provider fee schedule. This amendment was intended to clarify that the insurance commissioner's authority to regulate health insurance rates would not include the regulation of medical fees by providers. So in that regard, I believe that the Senator from the Windward side is not entirely reading the bill and all of its provisions.

"In conclusion, Mr. President, to bring fair pricing to health insurance on which most Hawaii residents depend, to protect businesses from excessive insurance costs, to restore the confidence of consumers in the fairness of Hawaii's health insurance market, and to avoid the negative economic effects of monopolistic practices, I urge my colleagues to vote in favor of H.B. No. 1761, C.D. 1.

"Thank you."

Senator Slom rose to speak in opposition to the measure and said:

"Mr. President, I rise in opposition to this abomination.

"This is one of several bills that the good Senator promises us is pro-consumer. They're actually anti-consumer; they're anti-business. They further send the message around the world that Hawaii is a place to do business if you want to be totally regulated.

"Despite what the good Senator said, there is no historic example that rate regulations of any kind by government have ever worked and succeeded in lowering prices and increasing competition. What they have done is maintained a stranglehold with either a monopoly or an oligopoly in whatever product we're talking about.

"The good Senator mentioned workers' compensation. Let's take a look at workers' compensation. We sure didn't look at it this Session, even though in the beginning in my opening remarks I said that this is one of the major areas that small businesses are again complaining about. And the reason it's again is because when we fixed workers' compensation before, we did it by artificially holding down the medical fee schedule, telling people what they could be paid. Sure, that lowered rates. It also lowered the number of physicians and people that would accept workers' compensation claims. A lot of those people are no longer accepting those claims, delays were rampant, people could not get the services for which they are entitled. And at this point in time, we have fewer people providing workers' comp, the rates have gone up, we have thrown a lot of people into the government created HEMIC, and their rates have gone up two times, three times, five times. Don't believe me. Talk to the people that actually pay the bills – the small business employers.

"Secondly, auto insurance. Well, I was involved in the auto insurance reform. We got reform. We got lower rates, because what did we do? We simply changed the coverages. If you compare the dollar amounts, the dollar amounts for insurance are less, but so are the things that were covered previously. Now they are options. So we're not talking about the same thing.

"Well, let's move on to health insurance. Boy, do people love to hate HMSA, because after all, that's what this is all about. There was no hiding it in the Committees. There was no hiding it in the hearings. People came here to bash HMSA. We have a gas bill moving through to bash Chevron. We have a bottle bill moving through to bash Pepsi and Coke. We have a solid waste bill that passed for the counties, even though the fast food providers said they were taking care of themselves.

"This is the consistent message that we send in this community – that we are hostile to business. And in so doing, we don't help the consumer. We give them the lie that we're for them and that we're going to help them.

"I know a little bit about health insurance because I'm involved in a business organization that pioneered health insurance for small businesses 23 years ago. And I want to tell you that over the years we had a lot of different providers and a lot of different choices. As recently as five years ago, we had seven different providers in this State. Now there are three – HMSA, HMAA, and Kaiser. The rates are high because the utilization is high. If you're going to regulate rates, then you should regulate utilization too – tell people when they can or cannot go to the doctors, when they can or cannot go to emergency rooms when it's not necessary, when they can or

cannot load up on prescription medicines – because there’s a cost for everything.

“Some in the Legislature think there’s a free lunch, or some think that they can regulate prices on one end without doing anything on the other. It doesn’t work that way. You can try it politically, but it doesn’t work economically.

“Will this bill lower prices? No! Will this bill foster more competition? No! If you really don’t like HMSA, if you really want to help the consumer, then go after the cause of many of our problems – the nation’s only prepaid health care act and all of its mandates. Change it. Modify it. Abolish it. Allow for competition. I’ve tried for four years to talk to people on the mainland to try to get them to come in here and provide additional choices and they said, ‘We’re not coming to Hawaii; we would not come to Hawaii.’ And that was then. That was before this bill.

“I talked to local people in insurance and in business who saw the need, who saw a market to provide for insurance. They can’t do it because of our tax structure, our regulatory structure, our mandated benefits structure. That’s what the problems are. We keep skirting that. We keep looking for a scapegoat. In this case, it’s HMSA.

“It’s not going to work and it is a cruel hoax on the people, on the consumer, the families, and particularly the small businesses. Because besides talking about rates, what the small businesses have been complaining about, if anyone was careful enough to listen, was the fact that under the prepaid health care act, which is designed for employees, health care providers are not required to provide accessible, comprehensive, affordable, comparable care for employers. So, many cannot get it. If in fact you are a sole proprietor in this state or an independent contractor, you cannot get good group insurance. Is that because of the rate structure of HMSA or their investment policies? Absolutely not. It is because of the prepaid health care act and our taxes on the industry. So let’s get real.

“If you really want to help the consumers and you really want consumer protection, then do things that people have testified to. The good Senator talked about an actuary. We know the actuary that the insurance commissioner uses. He comes in every once in a while from South Carolina. I think we share him with about five or six other states. He says the same thing. He’s paid by the insurance commissioner. He has never, never disagreed with the insurance commissioner, whether it was auto insurance, workers’ comp insurance, health insurance, he will always say what the insurance commissioner wants him to say.

“Does the insurance commissioner have too much power now? You better believe it. Is he subject to oversight right now? No, he’s not. And yet, we want to provide more power to the insurance commissioner because we don’t trust HMSA. We don’t trust the marketplace. We don’t trust business. That’s a terrible message to send, and yet that’s what we’re trying to do in the name of consumerism.

“Please vote against this measure. Thank you.”

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

“Mr. President, I rise to speak in support of the bill.

“It seems to me that the monopolies or the oligopolies exist before the pressure for regulation comes in, and in this instance, the reserves that HMSA has do appear to be excessive and rates continue to go up. Possibly, the attitude change needs to come

from those entities. I think what we are trying to do at this point, possibly, is to lower rates. But I think the realistic thing is that we are trying to keep rates from going higher.

“These are the situations that we find ourselves in with the small economy that we have. This is why I think we do need to move along this line towards regulation. It has a drop dead so we can take a look at it in a couple of years.

“I would urge my colleagues to support this bill. Thank you.”

Senators Matsunaga, Matsuura, Sakamoto, Ige, Buen, Chumbley and English requested their votes be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 162-02 was adopted and H.B. No. 1761, H.D. 1, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO INSURANCE,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

FINAL READING

MATTER DEFERRED FROM WEDNESDAY, APRIL 24, 2002

S.B. No. 1320, S.D. 2, H.D. 1:

Senator Menor moved that S.B. No. 1320, S.D. 2, H.D. 1, having been read throughout, pass Final Reading, seconded by Senator Matsuura.

Senator Hogue rose to speak in opposition to the measure and stated:

“Mr. President, I rise to speak in opposition.

“We were asking the generic question as to which bill would give full employment to plaintiff’s attorneys. This might be the bill.

“Currently, only the attorney general’s office can sue corporations for alleged antitrust violations or unfair methods of competition. This bill, if enacted, would open the floodgates and allow anybody to file such a suit, no matter how frivolous.

“I encourage my colleagues to vote ‘no.’ Thank you.”

The motion was put by the Chair and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 1320, S.D. 2, and S.B. No. 1320, S.D. 2, H.D. 1, entitled: “A BILL FOR AN ACT RELATING TO ANTITRUST,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

FINAL READING

S.B. No. 2106, S.D. 2, H.D. 1:

Senator Menor moved that S.B. No. 2106, S.D. 2, H.D. 1, having been read throughout, pass Final Reading, seconded by Senator Matsuura.

Senator Hogue rose in opposition to the measure and said:

“Mr. President, I rise in opposition to this bill. I’ll be brief.

"Four years ago the Governor signed into law a bill licensing marriage and family therapists under the control of the DCCA. Then the auditor came in and recommended a sunset date and that the sunset date be repealed, but actually concluded that the whole law – the whole law – should be repealed.

"We keep talking about the auditor. In fact, a couple of sessions ago I mentioned that I had a love for the auditor. I not only like my colleagues but I love the auditor. But in any case, we need to follow the auditor. She says repeal the law. I'll listen because I love her.

"No. Thank you."

The motion was put by the Chair and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2106, S.D. 2, and S.B. No. 2106, S.D. 2, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MARRIAGE AND FAMILY THERAPISTS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Hogue, Slom). Excused, 1 (Kawamoto).

S.B. No. 2118, S.D. 1, H.D. 1:

Senator Nakata moved that S.B. No. 2118, S.D. 1, H.D. 1, having been read throughout, pass Final Reading, seconded by Senator Chun.

Senator Nakata rose to speak in support of the measure and said:

"Mr. President, I rise in support of this bill.

"Mr. President, most employers treat their employees very well, but there are some who don't. In this situation, the background to this bill is that there are several transfers of ownership among hotels, and the new owners have gone into mass firings without looking at the records, the merits of the employees of the existing owners. To the new owners, these employees are no more than the tables and chairs that are in these hotels. They are given no more status than that. There's no consideration given to the employee and the employee's family. It is these kinds of employers that lead to the push for this type of legislation.

"This body, the Senate, passed a bill earlier that was far stronger in terms of regulation than this one. The proponents of the bill ran into difficulties in the House and they have made major concessions. The bill now has no provision for maintaining wages and benefits, no provisions for seniority rights, no prohibition against reduction of the workforce, no prohibition against making criminal background checks or pre-employment drug tests. The bill applies only to non-supervisory employees. The bill now applies only to companies that have more than 100 employees. The bill, as it left the Senate, said 50 employees. So, major concessions have been made along the way.

"Workers do need protection. They need to be treated as human beings, so I would urge my colleagues to support this bill.

"Thank you."

Senator Inouye rose to speak against the measure as follows:

"Mr. President, I speak against this measure.

"Mr. President, the proposed legislation I could support if it has language acknowledging that this applies only to the resorts. I sympathize with those resort employees, however, this measure does not, and this affects everyone from agriculture, to industrial, to commercial. So, Mr. President, I believe we need to look at this measure very seriously.

"Thank you."

Senator Sakamoto rose to speak in opposition to the measure and said:

"Mr. President, I also rise in opposition to this measure.

"The purpose of the measure is to limit the effects of economic dislocations that result in unemployment by requiring successor employers to retain incumbent employees upon divestiture, sale, or acquisition of business. Mr. President, businesses are normally sold for two reasons:

1. They're successful. And if so, there's no question in my mind or most people's minds that if successful, the employees are a great part of that and there's no problem; and
2. They're not successful. And if a business is not successful, the hope for the employees is that a successor employer would be able to reorganize, would be able to make changes, would be able to do the best they can do to keep the employees employed without being hampered by external government regulation.

"So, Mr. President, who would attempt to do a recovery for a company that's struggling if saddled by this government external limits? Why would any business bother to attempt to keep a business that's been unsuccessful running, in fact trying to retain any employees? Who would do that? Do we want potential successor companies just to turn and walk away or not even look?

"Mr. President, this is detrimental not to 50 percent, but to 100 percent of the employees who hope that their company will continue to employ them."

Senator Slom rose in opposition to the measure as follows:

"Mr. President, I rise in opposition to the bill. I guess I have to add this to my list of bills. This one was generated as the anti-hotels in Waikiki bill.

"There were some good comments made by my colleagues. Let me tell you that I grew up in a business family. I've been around business people all my life. I've been around longer than the good Senator from Kahaluu. I have never met any business owner that thought of his or her employees the same as tables or chairs.

"The interesting thing is that oftentimes people that make comments about business owners, they've never been in business themselves. They've never reached in their own pockets. They've never had to meet a payroll. They've never had to deal with the problems of an employee who has family problems or abuse problems or other kinds of problems and tried to bend over backwards and try to be mother, father, confessor to save that employee and that employee's family.

"We are in difficult times. And as the good Senator from Moanalua said, oftentimes if a business is not successful, the option is just closing it down altogether or trying to get someone else to take over the business to salvage the business, salvage and save as many employee jobs as possible. But you

don't do that by having the government dictate wages, or number of employees, or who has to be hired, or when they have to work, or any other conditions.

"I know that good Senator thinks that they've made major concessions because instead of 100 percent of the employees, we're down to 50 percent. And instead of only businesses with 50 employees, we raised that up to 100 employees. But there's many of us here, Betty Tatum up in the gallery, who've seen bills passed and the next year they come in and they change those numbers just like that because that's what they wanted all along. They want 100 percent. They want 100 employees, or 50 employees, or 20 employees. The main thing is they want to control.

"Now, their intentions may be good, but you don't determine the fairness to employees by the fact that the business is struggling to survive and may have to make cuts. Only the state government, it seems, doesn't make cuts. So that should come as a comfort to all the private employees, the thousands of people in this community who have lost their jobs who know that they get to pay whatever money they have, whatever benefits they have to make sure that no one in the state government or city government loses their jobs or has their job reduced.

"We can't keep doing this. You've got to either have an understanding of business, and investment, and risk taking, and the things that you have to go through or not. If you don't have it, that's fine and be honest about it, but don't come around here and say that you're doing things for consumers or small businesses or other people when the people in those businesses will tell you that what you're doing is exactly the opposite, that you're harming them. That's what this bill would do.

"I urge my colleagues to vote against this bill. Thank you."

Senator Chumbley rose to speak against the measure as follows:

"Mr. President, I rise to speak in opposition to this measure.

"Colleagues, it's no secret that my parent company, C Brewer, has announced that we're liquidating. We're shutting down a company that's 187 years old. It's the oldest company west of the Rockies in the United States.

"Part of that company is Wailuku Agribusiness on Maui, and part of that company is Maui Tropical Plantation. Maui Tropical Plantation has a collective bargaining contract with the ILWU. I have over 100 employees in that operation. I'm trying to sell that company right now. Even if this bill weren't to pass, there would be no way that I would ever treat my employees as furniture. We will do everything that is humanly possible to ensure that those employees are placed in another business or have opportunities outside, if we have to shut down this business because we can't sell it.

"I'm optimistic that we will be able to sell it, but if we have this law in place right now and that buyer comes to me and this law applies, I don't know what they'll do. Maybe it will mean we can't sell the operation and we'll have to continue to lose money, month after month after month. At some point, as a businessman, I can't do that any longer. And then when I do that, I shut down the business and 100 percent of the employees lose – not 50 percent, 100 percent – because then there is no job.

"There are two aspects of this bill that concern me. One, it will stifle capital investment into the state. It's really important right now, in our tough economic times, that we attract

investment capital from outside of the state. This will be a deterrent from that. Secondly, the definition of divestiture is problematic, in my mind. It can mean a sale, transfer, merger, business takeover, or transaction of a business interest. What if I decide that I can't continue to run my business and I have to shut down part of it? How does that apply to me? I only shut down the food and beverage operation in that business. I haven't divested myself entirely of it, but I've shut down part of it.

"I think that this needs to be thought through and the consequences of this need to be looked at. This is something that I don't believe is in the best interest of the business and, in the long term, the best interest of the employees. Because if I can't sell my company to someone who's willing to buy it, then I'll shut it down and that means that 100 percent of those people lose their jobs.

"Thank you."

The motion was put by the Chair and S.B. No. 2118, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT," having been read throughout, failed to pass Final Reading on the following showing of Ayes and Noes:

Ayes, 12. Noes, 12 (Chumbley, Chun Oakland, Hemmings, Hogue, Ige, Ihara, Inouye, Kokubun, Matsunaga, Matsuura, Sakamoto, Slom). Excused, 1 (Kawamoto).

FINAL READING

MATTER DEFERRED FROM WEDNESDAY, APRIL 24, 2002

S.B. No. 2180, S.D. 2, H.D. 1:

On motion by Senator Nakata, seconded by Senator Menor and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2180, S.D. 2, and S.B. No. 2180, S.D. 2, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GENETIC INFORMATION AND GENETIC TESTING," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

S.B. No. 2336, S.D. 1, H.D. 2:

Senator Kawamoto moved that S.B. No. 2336, S.D. 1, H.D. 2, having been read throughout, pass Final Reading, seconded by Senator Kanno.

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

"Mr. President, I rise to speak in opposition.

"Once again, here it is, folks, this bill being resurrected in different forms going up against teenage drivers. It's kind of like the Jason character in the Friday the Thirteenth movies. We thought it was gone; we thought it was dead, but no. I just saw a movie trailer the other day . . . it is alive! Yes, it's a bad movie. And yes, this is a bad bill.

"I've spoken on the measure many, many times. I've heard the good Senator from Waianae speak to it as well. We won't belabor the point. This is about parental rights – parental rights. The state has no right to set parameters around my teenage driver.

“Vote ‘no.’ Thank you.”

Senator English rose to speak against the measure and said:

“Mr. President, I rise in opposition.

“Well, it’s all been said . . . bad bill, no good for rural areas, no good for younger drivers who have been given the right to drive. Please vote this measure down.

“Thank you.”

Senator Kawamoto rose to speak in support of the measure and said:

“Mr. President, this bill, it’s true, has been around. Mr. President, I agreed on some of the amendments that I didn’t want to agree on because I was hoping to get more votes than we did last time. But it’s watered down, truly watered down.

“The curfew for 16-year-olds is ten to four. We moved the curfew for this bill to twelve to four. We’re concerned about having schoolmates being in the car or the other person driving to create a situation where you could get practical experience in driving at night. But they watered it down and said not 21, but 18.

“Mr. President, all we have left is a bill that’s a skeleton for what it really was meant to be. But I agreed to go along with this bill because it’s an education. It’s an education to our young people. You cannot have, again, a young man or young woman go out and just get their driver’s license and I don’t know how much education or practical experience they had behind the wheel at night. It takes a hell of a lot more, and we all know that, because driving at night is more difficult than driving during the day. We all know that it takes more coordination and more savvy as far as being able to drive at night.

“This is an education. We couldn’t get a graduated license built in. We couldn’t get the age for 17 and 16, but it’s an education, hopefully, to tell our young people to be careful, get some experience while driving at night. It’s an education. It’s not, what am I asking for. Again, like I said last year, I don’t think of these things staying awake at night. But it was something that the young people, Youth in Christ, a subsidiary of the MADD organization, came up and begged us for a graduated license for some indication to show our young people that night driving is hazardous and the need for practical experience is there.

“So for you, my colleagues, some of us are old enough to have grand kids. Some of us are young enough to have kids, and this is for them . . . this is for them. God bless and bless your soul and bless you and hope that one of your children is not a victim of the fact that this individual did not get the practical experience they needed to drive at night. True, parental guidance, but how many times do our young people go out not being the driver but being the passenger and not having this young man or young woman have the practical experience of driving at night and be out there, forgetting what it takes to drive at night and drives recklessly and your grandchild or your child be the innocent bystander who happened to be riding in the car in this situation. Just think about that. Just think about that. I hope it doesn’t happen. Should this happen, God bless you.

“Thank you very much. I urge my colleagues, again in the interest of safety, again in the interest of protecting our young people whom themselves have begged to come on board to look

and see if we can do something about night driving. Mr. President, we have tried this for four years and we have come down to this. It’s an education. It’s a procedure and it’s something that we need in this State.

“Thank you.”

Senator Buen rose to speak in opposition to the measure and said:

“Mr. President, I rise to oppose this measure.

“Although I applaud the Senator from Waipahu for feverishly staying up at night trying to think of ways to save lives, I really applaud him because he’s always thinking of safety, but not through this bill.

“This bill suggests that all teenagers under 17 years old are not safe drivers between 12 midnight and four in the morning. They would be safe drivers if the young adults are under 17 years old and are accompanied by an 18-year-old or older. Mr. President, it doesn’t make sense. I, too, would like to save lives, but this is not the way to do it.

“We just passed a bill earlier on driver education and maybe that’s where we should focus on the teaching. The Senator talked about education and maybe that’s where we should focus on the speeding by teenagers and that’s where it should be addressed.

“I urge all my colleagues to oppose this measure. Thank you.”

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

“Mr. President, I rise to speak in opposition.

“The good Senator from Waipahu has a lot of passion about safety for children and I respect that and applaud it. However, I don’t think that this measure, as drafted, is really going to accomplish much of that.

“A couple of what I consider to be significant drafting flaws in this bill is if you’re 17 years old and you’re driving between the hours of midnight and 4:00 a.m. and you have an authorization to do so, it says that you are exempt if you have an immediate member of the family with you. So what happens if you have a 15-year-old sister with the driver? You’re exempt. That doesn’t seem to provide much for safety.

“There was a comment that we’re moving the curfew. Well, maybe on line 8 of this bill it proposes a driving restriction between 12:00 p.m. and 4:00 a.m. but that doesn’t address the curfew. The curfew is in another section of the law. You can’t change the curfew by simply having the restriction in this bill in this section if it passes.

“What about the adults? I think there are many elderly adults who have vision problems. In my mind, that causes as many concerns and problems as young teenagers.

“My last comment is the exemption if you’re attending a school authorized activity. I don’t remember the last time there was a school activity between 12:00 midnight and 4:00 in the morning, so I don’t think that’s an exemption that really applies.

“I think that this measure, as drafted, is just unworkable and I urge you to vote ‘no.’”

Senator Kawamoto rose again and said:

“Mr. President, again, practical education is what we’re looking for.

“Mr. President, I call for a Roll Call vote.”

The Chair so ordered.

The motion was put by the Chair and, Roll Call vote having been requested, S.B. No. 2336, S.D. 1, H.D. 2, entitled: “A BILL FOR AN ACT RELATING TO MOTOR VEHICLE DRIVER LICENSING,” having been read throughout, failed to pass Final Reading on the following showing of Ayes and Noes:

Ayes, 9. Noes, 16 (Buen, Chumbley, Chun, English, Fukunaga, Hanabusa, Hemmings, Hogue, Ige, Ihara, Inouye, Kim, Kokubun, Matsunaga, Nakata, Slom).

Senators Chun Oakland, Menor and Sakamoto cast their Roll Call votes “Aye, with reservations.”

THIRD READING

Stand. Com. Rep. No. 3539 (H.B. No. 2231):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3539 was adopted and H.B. No. 2231, entitled: “A BILL FOR AN ACT RELATING TO THE AUDITOR,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3541 (H.B. No. 2523):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3541 was adopted and H.B. No. 2523, entitled: “A BILL FOR AN ACT RELATING TO EMERGENCY MEDICAL SERVICES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3544 (H.B. No. 2329):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3544 was adopted and H.B. No. 2329, entitled: “A BILL FOR AN ACT RELATING TO MANAGED COMPETITION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Ige).

Stand. Com. Rep. No. 3545 (H.B. No. 2460, H.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3545 was adopted and H.B. No. 2460, H.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE EMPLOYEES’ RETIREMENT SYSTEM,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Hogue, Slom). Excused, 1 (Ige).

FINAL READING

MATTER DEFERRED FROM EARLIER ON THE CALENDAR

Conf. Com. Rep. No. 66-02 (S.B. No. 796, S.D. 1, H.D. 2, C.D. 2):

On motion by Senator Tam, seconded by Senator Kanno and carried, Conf. Com. Rep. No. 66-02 was adopted and S.B. No. 796, S.D. 1, H.D. 2, C.D. 2, entitled: “A BILL FOR AN ACT RELATING TO STATE AND COUNTY TORT LIABILITY,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Ige).

At 4:06 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 4:07 o’clock p.m.

FINAL READING

Conf. Com. Rep. No. 99-02 (S.B. No. 2228, S.D. 1, H.D. 2, C.D. 1):

On motion by Senator Buen, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 99-02 was adopted and S.B. No. 2228, S.D. 1, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST INDUSTRIAL ENTERPRISES,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 111-02 (H.B. No. 2165, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Nakata and carried, Conf. Com. Rep. No. 111-02 was adopted and H.B. No. 2165, H.D. 1, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 112-02 (H.B. No. 2353, H.D. 2, S.D. 1, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 112-02 was adopted and H.B. No. 2353, H.D. 2, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 113-02 (H.B. No. 2192, H.D. 1, S.D. 1, C.D. 1):

On motion by Senator Kim, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 113-02 was adopted and H.B. No. 2192, H.D. 1, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 116-02 (H.B. No. 2164, H.D. 2, S.D. 2, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 116-02 was adopted and H.B. No. 2164, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EDUCATOR LOAN PROGRAM," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 121-02 (H.B. No. 2480, H.D. 1, S.D. 2, C.D. 1):

On motion by Senator Sakamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 121-02 was adopted and H.B. No. 2480, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL BUS FARES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 133-02 (S.B. No. 2900, H.D. 1, C.D. 1):

On motion by Senator Nakata, seconded by Senator Hanabusa and carried, Conf. Com. Rep. No. 133-02 was adopted and S.B. No. 2900, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE EMERGENCY ENVIRONMENTAL WORKFORCE," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 134-02 (S.B. No. 552, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Tam, seconded by Senator Kawamoto and carried, Conf. Com. Rep. No. 134-02 was adopted and S.B. No. 552, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A KOREAN WAR MUSEUM," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 141-02 (S.B. No. 251, S.D. 2, H.D. 1, C.D. 1):

On motion by Senator Menor, seconded by Senator Matsuura and carried, Conf. Com. Rep. No. 141-02 was adopted and S.B. No. 251, S.D. 2, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONAL COUNSELORS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 143-02 (S.B. No. 3047, S.D. 1, H.D. 1, C.D. 1):

On motion by Senator Matsuura, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 143-02 was adopted and S.B. No. 3047, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE WAIPAHAU COMMUNITY ADULT DAY HEALTH CENTER AND YOUTH DAY CARE CENTER PILOT

PROJECT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 147-02 (S.B. No. 2702, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Kawamoto, seconded by Senator Tam and carried, Conf. Com. Rep. No. 147-02 was adopted and S.B. No. 2702, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE KALAELOA COMMUNITY DEVELOPMENT DISTRICT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 148-02 (S.B. No. 2331, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Kawamoto, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 148-02 was adopted and S.B. No. 2331, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE FIFTIETH ANNIVERSARY COMMEMORATION OF THE KOREAN WAR COMMISSION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 149-02 (S.B. No. 2306, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Kawamoto, seconded by Senator Kim and carried, Conf. Com. Rep. No. 149-02 was adopted and S.B. No. 2306, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2052, H.D. 1:

On motion by Senator Matsuura, seconded by Senator Taniguchi and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2052, and S.B. No. 2052, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

THIRD READING

Stand. Com. Rep. No. 3536 (H.B. No. 2248, H.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3536 was adopted and H.B. No. 2248, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS FOR PROCESSING ENTERPRISES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3537 (H.B. No. 2385):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3537 was adopted and H.B. No. 2385, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST WINES OF KAUAI, LLC," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3547 (H.B. No. 2531, H.D. 2):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3547 was adopted and H.B. No. 2531, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TEMPORARY HEALTH INSURANCE FOR UNEMPLOYED PERSONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 3549 (H.B. No. 2128, H.D. 1):

On motion by Senator Taniguchi, seconded by Senator Hanabusa and carried, Stand. Com. Rep. No. 3549 was adopted and H.B. No. 2128, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR PROJECTS ON THE ISLAND OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

At 4:09 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 4:42 o'clock p.m.

FINAL READING

Conf. Com. Rep. No. 39-02 (H.B. No. 2741, H.D. 2, S.D. 2, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 39-02 be adopted and H.B. No. 2741, H.D. 2, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose to speak in opposition to the measure and said:

"Mr. President, I rise in opposition to the bill.

"I'm opposed to the tax increase. I noticed that the amounts have been changed but the revenue enhancement is still the same. I'm a little confused because depending on whom we listen to, we're trying to help people's bad habits, or we're trying to stop them from a sin, or we're trying to raise revenue. And I think in the end, all this is about is money.

"I noticed that in the bill, even though it says relating to cigarette and tobacco tax, that the only thing that's being taxed are cigarettes, not tobacco products, not cigars. So I'm voting 'no' on the bill.

"Thank you."

Senator Tam rose to speak against the measure and said:

"Mr. President and fellow colleagues, I stand to register my 'no' vote on this bill.

"H.B. No. 2741 is a bill, basically, to state that it's against smoking. Let me start by saying that I'm not a smoker and I personally prefer and use non-smoking restaurants. In fact, years ago when I first came to the Legislature in 1982, I didn't like when lobbyists came to my office to smoke. Therefore, in 1983 or 1984, what I did was I posted a sign outside my door, 'Please, no smoking. Leave your cigarettes outside.' Within a week or so I had a lot of cigarette butts right in front of my door. Today, what we have here, which is well accepted in terms of policy, is that nobody smokes in the office. I guess you have to set a trend, in some sense. I made it known to the lobbyists that if you want to see me, please observe my rights.

"I think this bill is taking the wrong approach in terms of anti-smoking in concern for a person's health. I would prefer the alternative to discourage smoking through a health education program method. The tax should be used for promotion of no smoking through health education.

"I consider this tax on no smoking regressive in stimulating Hawaii's economy. In fact, if I may say, I have seen the black market currently being embraced now because of the increased tax on smoking. I can foresee even more black markets coming into the picture here in the State of Hawaii.

"Once again, the approach to decrease the bad habit of smoking is more in terms of health education. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 39-02 was adopted and H.B. No. 2741, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE CIGARETTE AND TOBACCO TAX," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Hemmings, Hogue, Ige, Slom, Tam).

Conf. Com. Rep. No. 91-02 (S.B. No. 706, S.D. 1, H.D. 1, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 91-02 be adopted and S.B. No. 706, S.D. 1, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kawamoto.

Senator Hogue rose to speak against the measure as follows:

"Mr. President, I rise to speak in opposition to this bill.

"I am sure that my sentiments are heartily endorsed by the 15 other Senators who signed a petition in this Body opposing any raid whatsoever of any money in the hurricane fund. This raid, albeit interest, borrowing, or whatever you want to call it, really is a desperate attempt to avoid doing the job we were elected to do – which is setting budget priorities and making difficult decisions with limited resources.

"Don't try to kid yourself that this bill just raids the interest. Any competent accountant knows that at the end of each year, interest is folded into principal. You are raiding the principal.

"Worse yet, this raid is just a prelude to what could happen for years to come in this body. Who really believes that next year when we will be facing a similar shortfall with no more special funds to raid that the legislative body won't go after the hurricane fund? That's why it is imperative that for all time we state our position that the money either stays in the fund or it goes back to the people who paid into it.

"The constituents in my district, and I'm sure yours as well, have stated that over, and over, and over again. They believe that the hurricane fund is their money not the Legislature's money to balance the budget. They will remember in November. Think very carefully when you record your vote, because the voters will remember in November.

"I encourage you to vote 'no.' Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 91-02 was adopted and S.B. No. 706, S.D. 1, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE GOVERNMENT," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

Conf. Com. Rep. No. 158-02 (H.B. No. 2788, S.D. 1, C.D. 1):

On motion by Senator Taniguchi, seconded by Senator Buen and carried, Conf. Com. Rep. No. 158-02 was adopted and H.B. No. 2788, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE BONDS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 159-02 (H.B. No. 1245, H.D. 1, S.D. 1, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 159-02 be adopted and H.B. No. 1245, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Slom rose to speak against the measure and said:

"Mr. President, I rise to speak against this bill.

"Well, this was the rainy day fund and we're supposed to take care of it for emergencies or anything else. Here again we're breaking a promise. The promise is that we would hold these monies in these funds for emergency purposes, for special purposes. Balancing the budget, using them for current operating funds is not wise economic policy. It's not wise fiscal policy. It shows again a lack of any fiscal planning whatsoever.

"We should not be doing this. It doesn't matter that on the last bill you signed a pledge not to do it and then you've broken that pledge. It would be nice if we kept one of the pledges to the taxpayers because that's whose money it is. That's whom we owe our pledge to.

"Thank you."

Senator Kanno rose for a conflict ruling as follows:

"Mr. President, I'd like to request a ruling on a possible conflict.

"I'm an employee of Parents and Children Together and monies in the bill are being allocated to Parents and Children Together. None of my salary is projected to be coming from these measures, though."

The President ruled that Senator Kanno was not in conflict.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 159-02 was adopted and H.B. No. 1245, H.D. 1, S.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, 22. Noes, 3 (Hemmings, Hogue, Slom).

Conf. Com. Rep. No. 160-02 (H.B. No. 2827, H.D. 1, S.D. 2, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 160-02 be adopted and H.B. No. 2827, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Chun Oakland.

Senator Hemmings rose to speak against the measure and said:

"Mr. President, I rise to speak against H.B. No. 2827, the raid on special funds.

"In doing so, I'd like to quote a very incisive and pathetic, but also prophetic, speech on opening day. In quoting this speech I'd like to say, 'A far more practical answer to our budget crisis is squarely in our corner. In 1992, the Legislative Auditor issued a report to the Legislature entitled "Loss of Budgetary Control: A Summary Report of the Review of Special and Revolving Funds." Like gambling, trying to control these funds has defied well-intentioned efforts by the Legislature. Last July, Auditor Marion Higa released an update of the 1992 study which pointed out that there are more than a hundred of these funds still in existence, with balances totaling as much as \$220 million. Seventy of these funds failed to meet established criteria, yet had cash balances totaling \$96 million. We should not simply look to "raid" these funds to balance our budget, but rather to make meaningful changes in the way we structure our non-general funds. We are faced with an ideal opportunity to demonstrate our will to try new approaches, as well as to institute more accountability and oversight on the budget.'

"Mr. President, your words were well taken by your loyal opposition. Unfortunately, the Majority Party completely ignored it. And what they have done is not do what prudent budgetary people do when you don't have the money – cut spending.

"What the Majority Party has done is once again raided special funds, taken funds like the hurricane relief fund and turned them into a tax, and increased funding programs that just do not work. I don't know how you can do it. I really don't. You say one thing and you do the other. You sign a pledge and you violate it with the first opportunity to vote it.

"Until we change the way we do things, we're going to continue to suffer at the hands of a bad economy. I urge my colleagues to start down the path of reform by heeding the words of you, Mr. President, on the opening day of this Legislature and vote 'no' against this bill.

"Thank you, Mr. President."

Senator Slom rose to speak in opposition to the measure and said:

"Mr. President, I rise in opposition to this bill.

"As the good Minority Floor Leader said, quoting the auditor's report, we have more than 100 of these special funds. If the Legislature really wanted to make a fiscal change, if we

wanted to have reorganization and be honest about all of this, then what we would have done is done what she recommended – that is gotten rid of every one of those special funds. That would have been a good start and I think we might have been able to support that.

“In addition, what we would have said is we have grown these funds for one purpose only – to raid them, not to keep faith with the public, not to use them for the purposes they were meant for, so we’re not going to create any more special funds. But I think I have spoken and voted against at least eight or nine new funds that we’ve created today.

“So, it begs the question, where does this body, where does this Legislature stand? Where is this philosophy that we heard about several hours ago? It is a philosophy that says we will not honor our pledges; we will not keep the taxpayers’ money safe; we will not keep sound budgeting practices; and above all, we’ll continue doing what we’re doing.

“Mr. President, I’m running out of props here. All I’ve got is my special wand to hope that as I wave this across the body, that we can generate more than three votes to do the right thing. We’ll see if the special wand, Mr. President, has special powers. Oh, I see it’s had an affect already. Senator Chun has left the Floor. Let’s see what will happen. (Laughter.)

“Thank you, Mr. President.”

Senator Sakamoto rose to speak in support of the measure and stated:

“Mr. President, I rise in support of the measure.

“Mr. President, there is a purpose for special funds. In the past years, without some of these special funds, colleagues, including both sides of the aisle, need to or should allow people to come before them and ask for support of their program year after year, month after month, week after week, day after day, hour after hour, minute after minute. So for efficiency in government, as our esteemed colleagues should be in favor of, it was deemed to guesstimate that instead of that having to be an ordeal for the Legislators and for people seeking funds, sources of revenue were to be put in special funds so they wouldn’t have to beg and plead for their money and that a source would be generated to give them money.

“Now, certainly if we’re going to give somebody a source of money, we wouldn’t want to give them less than they needed, so we would assure that they would get enough and hopefully more than they would need in their fund. Now, Mr. President, I agree with our colleagues. Sometimes there’s extra money in the fund, but what should we do? Should we let money sit in everybody’s piggy banks at home or should we find a better way to use the funds? Unfortunately, some of these funds had to be used at this point because we had other needs.

“We do need to address the correct amount of money for the many different good and worthy programs. And to our benefit, many of the state agencies, many of the state programs, have done well to conserve resources and excesses were built up in the funds. So by no means are we saying that’s wrong or should they have used up all of their money, and we pray not.

“Mr. President, I think this body, the Ways and Means Chair, the Ways and Means Committee, the body across the way have done their best to use money that’s available. And indeed if too much money was accumulating either from business or from wherever, we should re-look at that in the future.

“I guess there have been comments about the hurricane fund. We didn’t take interest from year one, nor year two, nor year three. It was from this biennium, Mr. President, and going forward. You can wordsmith things the way you want. You can say it the way you want, but from this biennium, yes, interest, investment income was used because we have a great need, Mr. President. It would be a very sad day if indeed sources of funds couldn’t be found to restore many of the programs that were restored, Mr. President.

“So it’s easy to say not this or not that, Mr. President, but we did decide to move forward on a going forward basis and I think that’s a good thing.”

Senator Hemmings rose again and said:

“Mr. President, a point of rebuttal.

“Although it’s not germane to this particular budget on the hurricane reserve fund, the people who signed the pledge did not have a caveat in their signature that said that they were going to exempt interest from the raid. It was a simple signature not to raid the fund with no caveats. There’s no equivocating the words on this. It was clear and concise.

“Thank you, Mr. President.”

Senator Slom rose on a point of information as follows:

“Mr. President, just a point of information.

“The good Senator from Moanalua asked if it would be better if we allowed the money to remain in the piggy banks of the people that produced the money, and the answer is a resounding yes, Mr. President. I think that the people who produce the money, who the government takes from the people to give back a little bit to them, know a little bit better how to spend their own money. They probably would spend it on excesses like food and clothing and medicine and rents and things like that. But they do know how to spend it better and that’s what this whole debate has been about. That’s what all this manipulation has been about. We take their money and then we tell them we’re going to spend it for them and we know better than they do. We don’t know better than they do. We don’t know better than the single mom, the family, or the small businesses, and yet we’re sitting here pretending that we do.

“Thank you, Mr. President.”

Senator Sakamoto rose again and said:

“Mr. President, just a follow-up on that.

“Certainly all the money could have been left in the general fund taxpayers’ money. That’s not the argument. But many of the special funds get a percent or a fee and it goes into that fund. There are some funds that are revolving funds. There are funds that are paid by users. But indeed, Mr. President, having all the money go into the general fund and have this body deal with that would be inefficient government. So special funds are for efficient government, and yes, we do need to look at putting the appropriate amounts in the funds going forward.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 160-02 was adopted and H.B. No. 2827, H.D. 1, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE STATE FINANCES,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

Conf. Com. Rep. No. 164-02 (H.B. No. 2300, H.D. 2, S.D. 1, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 164-02 be adopted and H.B. No. 2300, H.D. 2, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Buen.

Senator Slom rose to speak on the measure with reservations and said:

“Mr. President, I rise to speak on the bill with reservations.

“I support a great deal of the judiciary budget, however, I do not support the project at Hilo Mall that will dislocate and put out of business a number of small businesses and their employees.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 164-02 was adopted and H.B. No. 2300, H.D. 2, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE JUDICIARY,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

FINAL READING

MATTER DEFERRED FROM FRIDAY, APRIL 19, 2002

Conf. Com. Rep. No. 1-02 (H.B. No. 2848, H.D. 1, S.D. 2, C.D. 1):

Senator Sakamoto moved that Conf. Com. Rep. No. 1-02 be adopted and H.B. No. 2848, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kanno.

Senator English rose to speak in opposition to the measure and said:

“Mr. President, I rise in opposition.

“Mr. President, this bill crosses the line between the separation of church and state. It asks that the constitution be amended to allow the use of special purpose revenue bonds for religious schools, amongst others. I have a fundamental objection to this and blurs the line between separation of church and state.

“I ask my colleagues to consider this very carefully because this is a slippery slope down. As we do this, down the line we’ll start blurring the lines even more, and before you know it we’ll be in a huge constitutional mess.

“So I ask my colleagues to please vote this measure down. Thank you.”

Senator Nakata rose to speak against the measure and said:

“Mr. President, I rise to speak against this bill also, basically for the same reasons as the Senator from Hana.

“In addition, I find this bill troubling because in terms of providing better education for students in this State, I think there’s very little to argue against. However, if we look at this in a broader context, there are some troubling aspects for me

and it is that it enhances private education and may be at the expense of the public education system, but more so to the communities in which our public schools exist.

“One of the saddest things I’ve heard is a veteran teacher at Castle High School who said to me, ‘You know, Bob, we used to produce national merit scholars here.’ And what she pointed to is that most of the better students have been going out to the private schools. I think this bill would help to speed up that process. It is a troubling issue to look at.

“I look at a school like Kahuku in my district and they are doing a tremendous job not only of educating students, but in terms of other things like culture and the arts and in athletics. They are an example of what a good public school can be and what it can mean to the community in which it exists. There is tremendous pride in the students that go to that school. Maybe they are that way because they are so isolated on the North Shore.

“However, I think also, with other schools, there’s a problem in that students with special talents are frequently siphoned off to private schools. I’m not saying anything against the private schools and their education, but I think from a societal point of view, we need to look at ways of strengthening our public schools. It’s a huge issue here. Maybe we need to have longer-term studies to see what makes a difference in a school like Kahuku and then try to reproduce that. But if in the meantime we are doing things to strengthen private education, we may be working against ourselves.

“My fundamental opposition to the bill is that it does cross the line between church and state. So I would urge my colleagues to vote against this bill.

“Thank you.”

Senator Chun rose to speak in support of the measure and said:

“Mr. President, I stand in support of this measure.

“Mr. President, the two issues raised – the separation of church and state and the decline of public schools – I believe even though they’re interesting issues, I don’t believe their impacted whatsoever by this bill.

“First of all, church and state. That issue has been raised many, many times and in many, many different states and it has always been held to be proper. The constitution allows it. This kind of activity on special purpose revenue bonds has been held not to be a violation of church and state.

“In the discussion in the Committees it was very clear that the monies from these bonds are not going to be used at all to encourage religion. They’ll be used only for classroom purposes and nonsectarian activities. That issue is not here. It’s been raised but has never been proven.

“Second of all, in terms of the decline of our public schools, that begs the question, What comes first, the students or the schools? We complain about our good students being siphoned away by private schools, but Mr. President, it’s not a situation where the students and the families are going about this without any information or any knowledge. It starts with the community. And that’s why I was talking with the Honorable Senator from Kaneohe about this issue one night. It’s not because the government sets up public schools and somebody sets up a private school and boom, all of a sudden everybody gets siphoned.

"There is a choice that we all need to make as parents, as community members, as to how we want our schools to operate, and it begins with us. It doesn't begin with a government bill like this. It doesn't begin with building a school. It begins with us. If we want to have pride in our community, we have to have pride in the community. We have to make the decision to send our children to public schools not private schools. We have to make the decision that we want to work with our community; we want to work with our schools. I don't think it's fair for us to say, well, I have no other choice but to go to a private school. We always have a choice, Mr. President.

"As for that issue, I disagree with the Honorable Senator from Kaneohe. I know he deeply feels that, but I feel the opposite that if we really feel pride in our schools, if we really want to help them, we would take the stand as parents, as adults, and we're going to support the schools by putting our children over there and having them work with our communities. It's not the government's fault. It's not the private school's fault. It starts with the choice that was made.

"For those reasons, Mr. President, I don't believe there's any valid reason why this bill should not be supported by all my other colleagues. Thank you, Mr. President."

Senator Sakamoto rose to support the measure and said:

"Mr. President, I rise in support of the measure.

"Before getting into the measure itself, I'd like to go over some background of some things we are doing for public education in this body. Your Education Committee, including the Senator from Hana and elsewhere, has worked diligently to meet the challenges of these tough economic times and we thank all the members for their commitment to education and our children. For the Senator from the Windward side, we do and we will continue to produce national merit scholars in our public schools.

"Our Committee, in addition to Ways and Means, in this body, we've been able to assure that the Department of Education will have resources to improve student outcomes, to create efficient policy. We've eliminated the storeroom, passed educational officer reform bills, established the teacher educator loan program and student loans for teachers aimed at retention and recruitment. We also hope to elevate the quality of teachers and administrators by supporting standards boards for both types of educators. I'm also very pleased that we've begun to address the issue of school readiness, establishing a comprehensive definition that will guide the future of early childhood education.

"Mr. President, we have expressed our desire for educational innovation in supporting charter schools, laying the framework for new educational partnerships with nonprofit organizations through a conversion charter school effort. Over the last few years we have also come to understand that we must provide a safe and quality environment for our children where they can learn. Over the past years we've established new repair and maintenance guidelines to create efficiencies and expedite projects. We've established the three Rs to maximize funding and partner with our communities. We have committed millions of dollars to improve our public school facilities.

"So, Mr. President, our private schools and colleges have faced similar issues and they have been an integral part in all of these discussions. Many are noted for exceptional student outcomes and commitment to quality education in Hawaii. They have been among the leaders in child readiness programs, in educational innovation. They in fact produce more special

education teachers and regular education teachers than our state programs.

"So, Mr. President, while these institutions have been able to meet many of the challenges presented to them, just like our public schools, they struggle to maintain and improve their infrastructure. This measure would allow the people of Hawaii to decide if they would like to authorize the State to issue special purpose revenue bonds to assist not-for-profit elementary/secondary schools, colleges and universities to improve their infrastructure. This would not take anything away from public education. There's no appropriation or expenditure of state funds. The bonds are not secured by any credit of the state. And there's no obligation on the part of the state to repay any of the bond proceeds.

"Mr. President, there were some concerns about the first amendment, as was brought up, but with the patience of your members and through the research done by the Legislative Reference Bureau, we've found similar programs, as the Senator from Kauai pointed out, in other states that do not violate the US Constitution, and we were able to insert language to address the attorney general's concerns.

"So, Mr. President, the people of Hawaii can choose to vote in the affirmative. I believe that this body should act for all of the people of Hawaii and this is a good measure to support.

"Thank you."

Senator Hemmings rose in support of the measure and said:

"Mr. President, I rise to speak in favor of this bill.

"God Bless private schools, and a double-entendre is intended. God Bless religious schools. Imagine if the Catholic church said tomorrow to all the people that badmouth private institutions and parochial schools on alleged interpretations of the constitution by ACLU extremists and others, 'You're right. We'll close these schools and we'll return all the children we're educating so well to the public school system.' Why do we have to pit one against the other? Why can't we work cooperatively together as this bill is trying to do?

"Regarding national merit scholarships in the public education system, our children in the public education system haven't failed. What has failed is the system that's supposed to be serving them and we better start taking a look at that before we blame private institutions, especially religious institutions, for the woes of public education.

"I might add, as I have before in floor speeches on this subject, I cannot stand the hypocrisy of political leaders and union leaders who demand more public support of public education while it's failing, throw more good money at bad because we have to support public education, while they themselves send their children to private schools.

"So for this and other reasons, I'm urging all of us to work together to educate our kids in both public, private and religious schools. Our children deserve the choice and the best opportunities we can afford them.

"Thank you, Mr. President."

Senator Chumbley rose in support of the measure with reservations and stated:

"Mr. President, I rise to speak in support of the measure with reservations.

"Over the years, Mr. President and colleagues, I've struggled with this issue, and having chaired the Education Committee, I was very reluctant to even engage in consideration of this. As time has gone by, I've learned from other states what has happened and have started to view this in a different way. The way I view it today, right now here on the Floor, is my role as a legislator and your role is to let the people decide this question. That's why I'm willing to support this measure with reservations.

"My reservations are the concerns in the way that the question for the constitutional amendment is drafted. If you look on page 9, Section 4, of the bill, this contains 94 words. It's extremely confusing. And in my opinion, even though our majority attorney differs with me, I believe that the question may contain two subjects, which is prohibited in a constitutional question. So I think that there are some concerns that need to be addressed.

"As a legislator I'm willing to support this on the Floor today. But as a citizen of the State of Hawaii, I will be voting 'no' in November on the constitutional amendment.

"Thank you."

Senator Kim requested her vote be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 1-02 was adopted and H.B. No. 2848, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT PROPOSING AMENDMENTS TO ARTICLE VII, SECTION 12, AND ARTICLE X, SECTION 1, OF THE CONSTITUTION OF THE STATE OF HAWAII TO AUTHORIZE THE STATE TO ISSUE SPECIAL PURPOSE REVENUE BONDS AND USE THE PROCEEDS FROM THE BONDS TO ASSIST NOT-FOR-PROFIT PRIVATE ELEMENTARY SCHOOLS, SECONDARY SCHOOLS, COLLEGES, AND UNIVERSITIES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (English, Nakata). Excused, 1 (Taniguchi).

FINAL READING

Conf. Com. Rep. No. 18-02 (H.B. No. 2166, H.D. 1, S.D. 2, C.D. 1):

Senator Sakamoto moved that Conf. Com. Rep. No. 18-02 be adopted and H.B. No. 2166, H.D. 1, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kanno.

Senator English rose to speak in opposition to the measure and said:

"Mr. President, I rise in opposition.

"Well, the other bill that we just passed, Mr. President, poses the question to the voters. This bill says let's issue the bonds. So this one is actually trying to give out money or give out the authorization. I object to it because in my mind it still violates the separation of church and state. It's a little bit premature because if the previous bill, H.B. No. 2848, is passed by the voters, then this bill will become more appropriate. But until that time, it seems inappropriate to me.

"So I ask my colleagues to consider that and vote this one down. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 18-02 was adopted and H.B. No. 2166, H.D. 1, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (English, Nakata, Tam). Excused, 2 (Menor, Taniguchi).

Conf. Com. Rep. No. 47-02 (H.B. No. 2495, S.D. 1, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 47-02 be adopted and H.B. No. 2495, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hogue.

Senators Hogue, Hemmings and Slom requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 47-02 was adopted and H.B. No. 2495, S.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE DEPARTMENT OF HUMAN SERVICES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Menor, Taniguchi).

Conf. Com. Rep. No. 81-02 (S.B. No. 594, S.D. 1, H.D. 2, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 81-02 be adopted and S.B. No. 594, S.D. 1, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Slom rose to speak in opposition to the measure and said:

"Mr. President, I rise in opposition to this bill.

"Gee, it's got so many good reasons to vote 'no.' First of all, it's creating a special fund. Secondly, there's a surcharge on tickets that are issued, traffic tickets. But the interesting thing is that the surcharge goes for only a single injury only for neuro-trauma. It creates an advisory board. It creates another level of government bureaucracy.

"If we're concerned about health and if we're concerned about safety, this certainly is not the way to go. I urge a 'no' vote. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 81-02 was adopted and S.B. No. 594, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NEUROTRAUMA," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hemmings, Hogue, Slom). Excused, 2 (Menor, Taniguchi).

Conf. Com. Rep. No. 86-02 (S.B. No. 2763, S.D. 2, H.D. 2, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 86-02 be adopted and S.B. No. 2763, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

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

"Mr. President, I rise, again, in opposition to this bill.

"I'm not supporting birth defects. I'm opposed to birth defects, but this creates a special fund. It also has a fee increase for marriage permits, so it's a doubly bad bill."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 86-02 was adopted and S.B. No. 2763, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BIRTH DEFECTS," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Hogue, Slom). Excused, 1 (Taniguchi).

Conf. Com. Rep. No. 87-02 (S.B. No. 2775, H.D. 1, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 87-02 be adopted and S.B. No. 2775, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Chun Oakland.

Senator Hemmings rose to speak against the measure and said:

"Mr. President, I rise to speak against S.B. No. 2775.

"In my speech concerning H.B. No. 1800 I mentioned an alternative to continuing to fund liabilities in the state budget, such as state hospitals. If I remember correctly, this organization was supposed to clean up the Hawaii Health System Corporation so it would no longer be a liability.

"Quite frankly, if we offered some of these hospitals, especially the bigger ones like Maui Memorial and Hilo, to the private sector to take over at a favorable lease, I'm sure that there would be some who would jump at the opportunity. But nevertheless, we've maintained our outside island monopoly with one of the only health care systems by centralized state control in the nation that continues to lose money.

"I might add that a recent audit that was reported in this morning's paper also adds criticism to the way they're spending their money. It's actually not their money; it's our money.

"So for this and other reasons, I think there's viable alternatives to the year-in and year-out funding of a statewide medical monopoly that is protected by the state, rather than turning this liability into an asset which should be done.

"I urge my colleagues to vote 'no.'"

Senator Hogue requested his vote be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 87-02 was adopted and S.B. No. 2775, H.D. 1, C.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE HAWAII HEALTH SYSTEMS CORPORATION," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Hemmings, Slom). Excused, 1 (Taniguchi).

Conf. Com. Rep. No. 88-02 (S.B. No. 2682, S.D. 1, H.D. 2, C.D. 1):

Senator Hanabusa moved that Conf. Com. Rep. No. 88-02 be adopted and S.B. No. 2682, S.D. 1, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Chun Oakland.

Senator Slom rose to speak against the measure and said:

"Mr. President, I'm going to be voting against this bill. Even though there's some valid claims against the State, we have this bill or a bill like it every year. We have a number of claims, which we don't really look at individually. But more importantly, last year during the Legislature we passed a bill, it's my recollection, that said that any future claims must be paid and be accountable and responsible fiscally through the department or through the agency to which the claim was made. And we're not doing that here. We're taking this directly out of the general fund.

"So if we're passing legislation and we're going to hold people accountable and we're worried about our budgetary situation, then in fact we should enforce the laws that we pass, particularly if they're just fresh within our mind.

"Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 88-02 was adopted and S.B. No. 2682, S.D. 1, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CLAIMS AGAINST THE STATE, ITS OFFICERS, OR ITS EMPLOYEES," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 3 (Hemmings, Hogue, Slom). Excused, 3 (Ihara, Menor, Taniguchi).

Conf. Com. Rep. No. 89-02 (S.B. No. 2350, S.D. 2, H.D. 2, C.D. 1):

On motion by Senator Kim, seconded by Senator Inouye and carried, Conf. Com. Rep. No. 89-02 was adopted and S.B. No. 2350, S.D. 2, H.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSIENT ACCOMMODATIONS TAX," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Ihara, Menor, Taniguchi).

Conf. Com. Rep. No. 101-02 (H.B. No. 2512, S.D. 2, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 101-02 be adopted and H.B. No. 2512, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Slom rose to speak in opposition to the measure and said:

"Mr. President, I rise in opposition again.

"It creates the public health nursing services special fund. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 101-02 was adopted and H.B. No. 2512, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC HEALTH NURSING SERVICES SPECIAL FUND," having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 1 (Slom). Excused, 3 (Ihara, Menor, Taniguchi).

Conf. Com. Rep. No. 107-02 (H.B. No. 1950, S.D. 2, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 107-02 be adopted and H.B. No. 1950, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Menor.

Senator Hogue rose in support of the measure with reservations and stated:

“Mr. President, I rise to speak in favor of this bill with reservations.

“I think it’s important that we talk about prescription drugs. This bill establishes a Medicaid prescription drug expansion program to offer discounted prescription drugs to qualified residents whose income is below 300 percent of the federal poverty level. This bill is patterned after a State of Maine bill. The healthy Maine prescription program is a result of a Medicaid waiver. So Hawaii will have to receive a similar Medicaid waiver from President Bush’s administration before this plan can be implemented.

“I support the intent of this specific bill. However, I feel that fiscal prudence is missing. The program is very successful in Maine. The reasons for the success are not included in Hawaii’s version of the bill. During the first year of the program, Maine cut \$15 million from its Medicaid budget – 50 percent more than expected. These numbers were achieved by instituting a strict prior authorization program. Such a stipulation is imperative for this program to be effective here. However, it is not in this bill.

“Another concern that I have is that our bill provided coverage for all residents – all residents – under 300 percent of the federal poverty level. Maine’s program does not allow any person with full Medicaid coverage to be eligible for the program. I would hope, before this finally gets implemented, that future legislators address these issues so that this well-intentioned program will have the fiscal oversight to assist Hawaii’s residents who need it most – lower and middle income seniors. They need better access to prescription drugs but we need to do it the right way.

“Thank you, Mr. President.”

Senator Slom rose to speak against the measure and said:

“Mr. President, I’ll be voting ‘no’ on this bill.

“In addition to the comments made by the Senator from Kaneohe, this bill also creates yet another new special fund.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 107-02 was adopted and H.B. No. 1950, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PRESCRIPTION DRUGS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Slom). Excused, 1 (Taniguchi).

Conf. Com. Rep. No. 109-02 (H.B. No. 2638, H.D. 2, S.D. 1, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 109-02 be adopted and H.B. No. 2638, H.D. 2, S.D. 1, C.D. 1, having

been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Hogue rose to speak against the measure and said:

“Mr. President, I rise to speak in opposition to this bill.

“I’m very concerned that we are passing forward long-term legislation which works to establish a system based on taxes. That is not what we need. When will we learn? Proponents have been bringing unworkable public financing to the long-term table for several years here. Just last week it was determined that we could not afford a bill that provided tax credits to those who purchase more effective and comprehensive long-term care private plans, and that was a crying shame.

“A few weeks ago right here, you voted down a floor amendment that I proposed allowing Hawaii to plan a proven and effective public/private partnership. Partnership programs have been so effective that two bills are not moving through Congress to promote nationwide expansion of existing programs. Why are we so quick to dismiss such workable options? If any option has been shown to be unworkable, it is the government-controlled tax based program that we continue to hear year after year. No matter the plan, the government cannot afford to pay for long-term care for everyone. Increasing the number of private options is not only important but also essential for the future well being of Hawaii’s baby boomers.

“We need creative new approaches to funding access of long-term care, not the same old same old argument. Please vote ‘no.’

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 109-02 was adopted and H.B. No. 2638, H.D. 2, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE HAWAII LONG-TERM CARE FINANCING ACT,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Hogue, Slom). Excused, 1 (Taniguchi).

Conf. Com. Rep. No. 124-02 (H.B. No. 1256, H.D. 2, S.D. 2, C.D. 1):

Senator Inouye moved that Conf. Com. Rep. No. 124-02 be adopted and H.B. No. 1256, H.D. 2, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Menor.

Senator Inouye rose to speak in support of the measure and said:

“Mr. President, I rise to speak in support of the bottle bill, H.B. No. 1256, C.D. 1.

“Mr. President, this bill came a long way. This bill was debated. Some things went in and some things went out. We tried to address concerns from small businesses that did not want to participate in the redemption process but will certainly not address many issues yet to take place, like the rules of implementation. And yes, there will be increased cost to the importers and to the consumers.

"Mr. President, I was appointed to be Conference Chair and I believe I took the challenge to represent this body. So colleagues, bear with me.

"Some time ago, Hawaii's state law established a goal to recycle 50 percent of the waste stream by the year 2000. Today, the current statewide recycling rate is 25 percent. This means we are only half way to meeting our objective and two years behind schedule. We need to take some large steps toward meeting that goal.

"H.B. No. 1256, better known as the 'bottle bill,' is at present the only vehicle we have that will allow us to take those much needed steps. The bottle bill will increase the recycling rate. All of the states with container deposit systems have recovery rates of over 70 percent with some over 90 percent. With numbers like that we're talking about practically removing bottles from the waste stream. In Hawaii, that would mean diverting approximately 800 million bottles from the landfills.

"As an island community, it is crucial that we use every means available to mitigate the serious problem of decreasing landfill availability and look for alternatives for the difficult and expensive process of landfill expansion. Additionally, living in paradise is a privilege that necessitates that we protect the land and the ocean. We must dedicate ourselves to keeping our beautiful islands litter free, not only for our own enjoyment, but also for our visitors.

"On average, 75,000 bottles and cans are thrown away or littered every hour in Hawaii. This is a sad reality that has become all too apparent. We can help keep our beaches and parks from becoming garbage dumps by creating an incentive not to discard them. Just imagine if those discarded bottles were worth something.

"The bottle bill creates the incentive for the consumer to recycle those bottles. While they will initially pay out five cents for the privilege of using the bottle, when they recycle it they will get their five cents deposit back. In exchange, we will have a cleaner, safer, more beautiful environment.

"I would like to take a few minutes to discuss with you the basics of how the program will work, what the impacts will be on the various parties involved, and reassure you that the proper checks and balances are in place. Beginning January 1, 2005, the five cents refund will be in place. This means that the consumers will begin to bring the bottles to the redemption centers to get their deposits. This is where the handling fee comes into play. It is charged to the beverage container distributors and, through the Department of Health in cooperation with the counties, is paid to the recyclers to compensate them for the collecting, processing, and recycling of the glass, aluminum, and plastic bottles.

"The beverage container fee will increase incrementally from half a cent to one cent with a cap at 1.5 cents. A proviso has been built into the bill that states that upon implementation of the program in January of 2005, the handling fee will be based on the reports of the actual percentages of bottles recovered. If the recovery rate is 70 percent or below, the fee will remain at 1 cent. And if the rate is over 70 percent, the fee will increase to 1.5 cents. Making the amount of the fee dependent on actual figures ensures that the system operates at peak efficiency. It also ensures that large cash surpluses do not build up. However, should a situation arise where there were ample funds available to run the program without collecting the handling fee, the bill allows for the fee to be waived for a given period of time.

"The impact of the program will, for the most part, be positive. Initially, there will be a fiscal impact on the beverage industry, but as many of them admit, their sales will recover to pre-bottle bill implementation numbers or above. They have been participating in the glass recover program for the past decade, for which they pay an advance disposal fee of 1.5 cents on every container without hurting their sales.

"We must keep in mind that currently the beverage industry is making record profits. In terms of impacts on the retailers, there have been a number of exemptions built into the bill that exempt them from the requirement of collecting, processing, and recycling bottles. Basically, retailers on the neighbor islands and rural Oahu are not required to provide redemption centers. However, the bill provides that the state, working with the counties, will establish redemption centers where they are needed for the convenience of the public.

"Other retailer exemptions include stores that are under 5,000 square feet or can prove financial hardship. Also, those stores in Oahu's urban corridors stretching approximately from Pearl City to Hawaii Kai that are located within two miles of an existing redemption center are exempt. By creating so many inclusions, the bill aims to protect Hawaii's small businesses.

"There are no requirements in the bill that bars or restaurants store or handle beverage containers themselves. Currently, hotels and bars on Maui and Oahu are required to collect and recycle glass bottles under the glass recovery program. This bill will make it easier for them as it will provide funding for the recycling of the containers. This will create an incentive for private companies to provide recycling collection services to these establishments.

"The consumers will get their five cents back when they redeem their bottles, which minimizes the costs they will have to bear. Also, the costs the consumer will incur will be counterbalanced by the economic benefits derived from the program. This is not a cost to all taxpayers. It is discretionary for those who purchase bottled beverages only and is therefore fairer than a blanket taxation for a government program.

"Container deposit systems create jobs. Net gains in employment have been shown in nearly every state which has a deposit system. In Michigan, for example, an additional 4,684 jobs were added to the economy. With a program in place, costs of disposal, recycling, and litter cleanup currently paid for by local government and taxpayers will be reduced.

"Most importantly, Hawaii's people want this bill to pass. In a recent poll taken in Hawaii, which clearly stated that there would be an additional charge on beverages, the numbers showed the people's clear support.

"Recycling will become a more viable business with much room for expansion. Those who are currently in the business and are merely subsisting or are in fear of closing their doors will have the incentive to stay in business with the opportunity for future growth in the industry. Jobs for Hawaii are always welcome.

"We are all aware of the precarious state of the economy post September 11 and that safeguards must be in place to protect and improve it. Let me assure you that the bottle bill was designed with these thoughts in mind. The bill contains a number of fiscal controls, including the sliding fee based on actual redemption rates, and a financial and management audit of the program for the fiscal years 2005 and 2006 and for each fiscal year thereafter ending in an even numbered year.

“Another control on the program is that the establishment of an advisory committee to the department to assist in the rule-making process. Representatives from each of the stakeholders – namely, the beverage industry, the consumers, and the recyclers – will contribute their views, knowledge, and suggestions to the department in order to create rules for the program that speak to everyone’s needs and concerns.

“While I recognize that passing this bill only takes us the first few strides on the long path ahead, I must stress that this is the only vehicle we have at present, and it would be a real shame not to take advantage of it. We need to pass this bill in order to establish a viable program that will set the example for recycling projects to come. The bill has been carefully and thoughtfully crafted to all but eliminate negative impacts to insure increased recycling rates and to reduce litter on our highways, beautiful beaches, and parks.

“I strongly encourage you to do what is best for Hawaii’s environment, our most precious commodity, and vote ‘aye’ on the bottle bill.

“Mahalo and God bless. I’m glad this is where it is today – a vote. Thank you.”

Senator Hemmings rose to speak in favor of the measure and said:

“Mr. President, I rise briefly to speak in favor of the bill. I was afraid we might lose this legislation to a filibuster. (Laughter.)

“With all due respect to the well articulated Chairman, I do have to laud her and give her many accolades. When this bill came to Conference Committee, it had a two-cent advance deposit fee. Under her leadership it’s been reduced to 1½ cents. I’d venture to say there’s a good probability that if we continue to work on this legislation, by the time it is implemented in 2005, we may be able to get rid of the advance deposit fee entirely and let the bill rely on its own energy and the unclaimed funds from the recycled bottles.

“This is good legislation, and we’re headed in the right direction. I’m proud to serve in this Senate and under the leadership of the good Senator from the Big Island who has made this bill a lot more cost effective than it originally came to the Senate.

“Thank you, Mr. President.”

Senator Sakamoto rose to speak in opposition to the measure and said:

“Mr. President, I rise in opposition to this measure.

“I’m for recycling – I believe we all are. I’m for keeping our islands clean – I believe we all are. But I feel during these tough economic times, imposing a five-cent deposit would be another hit, a smash for the general public and for retailers.

“The process proposed in this bill does not provide the necessary incentives for people to recycle. The fiscal impact is not determined. And I do not think it will be cost-effective. I sincerely believe we can come up with a more efficient and effective program than this.

“Additionally, I’m concerned that instead of having bottles on our landfills, we’re going to have clanking bottle recycling centers around every corner, crushing bottle recycling centers around every corner, roach laden bottle recycling centers around every corner.

“Mr. President, these islands are my home, they’re our home, and I want to keep them clean and beautiful. But I don’t believe this proposal is the way to do it. And if we’re serious about protecting the environment, we need to do better than this, Mr. President.

“So, Mr. President, this bill needs to be recycled.”

Senator Kawamoto rose to speak against the measure as follows:

“Mr. President, I rise in opposition to this bill.

“Mr. President, I admire the Senator from Hilo/Hamakua for this long speech to explain all the aspects of the bill, but I am totally confused. I wasn’t part of the Committee. I wasn’t part of the process. But as I read the bill, we’re worried about the litter and the concerns we have as far as litter in the streets, beaches, and all that. But yet, we exempt – we exempt – the neighbor islands! Aren’t we concerned about the litter on the neighbor islands? We exempt the rural areas – North Shore, Waianae Coast, Waianae’s beautiful beaches. We exempt them from this bill because they’re rural. We worry about from Pearl City to Honolulu and Hawaii Kai? What beaches do we have out there? What beautiful places do we have out there? (Laughter.) You know, God’s country is in Waipahu, but we’re exempt. (More laughter.) It is rural. So I don’t understand.

“I don’t understand where we’re going with this bill. If we’re talking about litter control, that’s fine; beautification, that’s fine. But to exempt places where we have beautiful places, beautiful beaches, the neighbor islands and all these kinds of places, we are not doing what we intended the bill to do. So I urge my colleagues to vote ‘no’ on this bill.”

Senator Slom rose to speak in opposition to the measure and said:

“Mr. President, I rise in opposition to the bill.

“Perhaps I can explain to the good Senator from God’s country, first of all, about the good beaches over in Hawaii Kai and East Honolulu. And secondarily, it’s real easy . . . let me explain this bill to you – it’s a TAX! Okay? It’s a tax. However you dress it up, however you describe it; however you try to mitigate it, it’s a tax. It is an additional tax on business. It’s an additional tax on the consumers and, as we all know, taxes are a part of doing business and, ultimately, only consumers pay the tax.

“We can talk about the recovery fee. We can talk about the handling fee, but you know in that story that the Chairman laid out so poetically, I was actually kind of nodding off it was so soothing, but the problem was that it had the same horrible ending – more government, more control, more bureaucracy, more task forces, 60 new employees, the Department of Health, neighbor islands exempt. My god, it sounds almost like – no, it couldn’t be – the van cam bill.

“What is the purpose? If the purpose is environmental cleanup and recycling, and I certainly agree most wholeheartedly with the good Senator from Moanalua (I ran out of props so I didn’t have anything left), recycling is everyone’s business. We should be ashamed of the litter that we have around our islands. When we bring in visiting firemen and we’re driving them around and we’re pointing to the beaches, they’re saying ‘look at that stuff all along here.’ We should be ashamed.

“We have laws. We’ve got many laws. We’ve got very little enforcement of litter laws. And when we’re talking about bottles, when this discussion started earlier in this Session, we found that the bottles represented about 1 percent of the materials in the landfill. Now I’ve noticed in the committee report that we’ve gotten it all the way up to 2 percent right now. Two percent . . . now even if the story that was told to us so soothingly that everybody will be taking the bottle back right now, there’ll be a steady stream. Actually, that’s probably going to create a traffic jam and we’re going to need more pedestrian safety rules because everybody will be taking the bottles back. Even if they did, 2 percent of the solid waste is accounted for by bottles.

“And by the way, I understand the struggle that the Chair and other members that have been pushing this bill, this tax, have gone under because they kept saying, ‘There’s no bill around. There’s no bill around. Let’s take this one which is called solid waste management.’ And I wonder, I just wonder, if this is constitutional, if the contents of this bill match the title. But we won’t worry about that now. We’ll worry about it later, after we pass the bill and then somebody looks at it and says, ‘You know what, the contents don’t match the title of this bill because we’re not talking about solid waste management, we’re talking about a tax.

“We’re talking about greater costs on manufacturers, wholesalers, retailers. We’ve heard from small businesses. We’ve heard from people in the industry. We’ve heard from the grocery stores, from bars, from restaurants. We’ve heard from individuals. We have some kind of vague notion that there’s going to be these redemption centers springing up in the neighborhoods. We don’t know where they’re going to be. We don’t know where the cost is going to come from to buy or lease the land, to construct the buildings, to put the people and the equipment there, but we’re supposed to buy this on faith.

“This bill has been rushed because people want you once again to think that this is going to be a solution to our problems. And it gets back to the same thing – it is a TAX! Only, it’s a greater tax. The Chair mentioned the glass recovery fee, and it’s true. The beverage people have to pay that, and now they’re going to pay this on top of that. And ultimately, the consumers are going to wind up paying for this.

“In other states, and certainly there are other states that have bottle bills and deposit bills and all that, the majority of those states have private programs. The ones that are the most successful do not have a government bureaucracy and certainly not our state Department of Health. When has this state Department of Health done anything right? Except, perhaps, to put teenage sexual offenders near Momilani School in Pearl City or said that because only three of six people on Maui died of flesh-eating viruses that’s just normal; that’s just the regular statistics. I don’t want the Department of Health handling anything else. They haven’t handled Felix. They haven’t handled anything that they’re supposed to. And yet, we’re supposed to trust them.

“And we’re supposed to trust the fact that the people will get their money back. Well what if they don’t? Where does the money go? Who does it go to? Is it in the general fund? Is it in a special fund? Oh yeah, there’s two special funds created in this bill – two more new special funds. Where does the money go if it’s not collected?

“I respect my Minority Floor Leader but he’s doing handsprings because the Chairman got the handling fee all the way down from two cents to 1.5 cents this time. Can anybody really believe that those fees will stay at those levels? Has any other tax stayed at those levels before?

“So what are we faced with here? We’re faced with a new tax on consumers. We’re faced with something that’s going to be harmful to small business and other businesses as well. We’re faced with something that is bureaucratic and unproven anywhere else. Nowhere else has had a system like this. And more importantly, we’re faced with a bill that has minimal environmental impact.

“Those of us that believe in helping and saving the environment and those of us that believe and practice recycling think that really what you should do is have a coordinated comprehensive plan for all kinds of litter. If you want to solve the litter problem, if you want to solve the landfill problem, don’t go after 1 to 2 percent of it, go after all of it.

“And how do you do that? We have, right now, private entities in recycling. We had those that came in before and left again because of our business climate, because of our tax and regulatory structure. Instead of providing more government involvement in this tax program, if we want to do recycling then we get the private market involved and we provide the tax and other incentives to allow the industry and people that are in the private sector to do this as they have done in other states. We don’t have to start from scratch. We do have other models and that’s one of the points that has been left out in this equation. When we’re talking about other states and we’re talking about other examples, it’s as if they were all government run programs, and they are not . . . only this one. We always think of government first here. We always think of more employees, more agencies, more task forces.

“If we’re genuinely concerned about recycling, the environment, and most importantly allowing consumers and small businesses to try and improve their lives, then this bill is the wrong way to go.

“Thank you, Mr. President.”

Senator Inouye rose again and said:

“Mr. President, point of personal privilege.

“Mr. President and colleagues, the exemption that we speak about is only those businesses who wish not to participate in the redemption process, whereas the recyclers will be handling those programs in those areas.

“Can we call for a Roll Call vote, please. Thank you, Mr. President.”

Senator Chun Oakland rose to support the measure and said:

“Mr. President, I stand in support of this measure.

“I’d like the good words of the Senator from South Kohala, Hamakua, and North Hilo to be inserted as if they were my own.

“I’m very proud to have served on this Committee along with the Water, Land Committee these past two years. This is one of several pieces of legislation that we are considering this Session and last Session that makes a very strong commitment to look at what we consider waste today, as a very valuable resource, a very precious commodity.

“I hope that our colleagues will support this. Thank you.”

Senator Tam rose in support of the measure with reservations and stated:

"Mr. President, I rise to vote in favor with reservations on H.B. No. 1256, H.D. 2, S.D. 2, C.D. 1.

"Let me give a different perspective from what was said earlier. Let me give a perspective in terms of the relationship between government, be it state government or county government, and that of business. Let me give that perspective because I play a role on both sides, not only as State Senator but also as a businessman. Let me also say that business, as much as possible, will take advantage of government when they can. So, given that premise, let me present my side of why I'm voting with reservations.

"The concept of this bill is well intended. The basic intention is to establish a recycling program for metal cans and bottles, and thus, cleanup and maintain a clean environment for Hawaii. The legislation acknowledges that our society is a throwaway society and an avenue to avoid the littering of cans and bottles is by giving the deposit refunds for returned empty cans and bottles.

"What I intend to say is that I'm planning to give an opportunity to the Department of Health to work out a model for a recycling program. I will be watching you, quite frankly.

"The problems of this bill are:

1. There are no comprehensive real estate operational and structured plan involving the recycling priorities or components. It's a shell with good intentions.

If I may, I've always emphasized that government should be productive and efficient. The public wants us to be more efficient and productive in using the taxpayers' dollars. The question is whether we're doing it at this time. Let me also emphasize why I'm giving the Department of Health a chance. One particular person I know that is sitting in the gallery, and with whom I have worked with, is Mr. Steve Chang from the Department of Health. Having been the former Chairman in the Senate for environmental protection, I know Mr. Chang is very sincere.

2. There are no concrete marketing plans to have Hawaii's residents being conscious about recycling. There's too much dependence on recycling based on the deposit of refunds for cans and bottles. Consumers must be subconscious in embracing recycling fundamentally. No matter how much you give, in terms of return, it's a matter of the mind being convinced.

Let me give you an example: as a father of two children, a boy who's ten years old and a girl who's nine, if I give five cents or ten cents to my kids, they would laugh at me. So what I would have to do, in terms of recycling, is to embrace in their mind to be recycle conscious. This legislation does not do that right now.

3. The legislation increases the employment size of state government. Residents of the State of Hawaii do not want government to grow at the expense of their taxes.

"Hopefully, per my discussion with Steve Chang from the Department of Health, we will work together to establish 100 percent privatization of the recycling of cans and bottles in the department through the creation of rules and regulations, as Mr. Chang had indicated to me last night in my office. This being so, I respectfully request the Governor of the State of Hawaii to restrict the funding of the increased number of state management employees at this time. There's no need to increase our employees. Let's privatize it as much as possible. Why should we compete with the private sector? The private

sector can be more efficient and productive. They've shown it in terms of recycling efforts of newspapers, etc., currently going on.

"Once again, this legislation is only a shell without any meat in it. I am concerned that we will relive the nightmare of the traffic camera legislation.

"In the federal government, legislation is passed on the basis of a complete model. One of the downfalls of state government here I've noticed in comparison, is we create shells of legislation. We have to take hold and create complete legislation. For now, I'm going to put my trust in Steve Chang and others in the parties dealing with recycling to come up with something of a complete model to embrace. Let's not relive the nightmare of the traffic cameras. It was a nightmare. People started pointing fingers at each other. That's not good for our relationships in Hawaii at all.

"Let me also say this very boldly, some people may get upset with me but it's the truth. The private recycling companies are asking for handouts on a silver platter where state government will pay for the recycling program. Private companies will make profits at government's expense.

"Thank you."

Senator Kanno rose to speak against the measure and said:

"Mr. President, I rise to speak against this measure.

"I am concerned about litter in our community. I am concerned about our landfills, and I care about our environment. I am concerned, however, that this bill will hurt people. Who will this bill hurt? It will hurt all people who don't recycle their cans, bottles and containers.

"Who will recycle?"

"Possibly, middle income families. Maybe, individuals buying for a large group – for example, those involved in youth sports. And, I do believe a portion of low-income families will recycle.

"Who won't recycle? Or rather, who will be hurt by this bill?"

"I believe that the largest group of people who won't recycle are the people who can least afford it. I am speaking out for those people who will not have the wherewithal to recycle their beverage containers.

"How big an impact is it? If you look just at the five-cent deposit, a regular-price case of soda which may cost \$8.00, would now cost \$9.20. That's a 15 percent increase; that seems like a lot. A case of soda that's on sale which would have cost \$3.98, would now cost \$5.18. That's a 30 percent price increase.

"Members of the public may believe that this bill won't cost them anything because they'll get their nickel back on every can, bottle or container. But they're wrong. They may not see the 1½ cent container fee because it's paid directly by the beverage distributors. This fee will be passed on to the consumer.

"Let's go back to that case of soda on sale; that would amount to an additional 36 cents for the 1½ cent container fee. For those who recycle who will get their nickels back, that's still a 9 percent increase in price that they won't get back. The

case which used to cost \$3.98, will now cost \$5.54, which means a whopping 39 percent increase in price.

“Some may fault those individuals who won’t recycle their beverage containers. If you do that, would you also fault those who buy soda when it’s not on sale? Would you also fault those who pay full price for a movie ticket when discount ticket options are available? I would not.

“When I shop at the supermarket, it frustrates me that the only prices that seem reasonable are when items are on sale. It works when consumers are able to wait until an item goes on sale and then buy in bulk. That’s in an ideal world. In the real world, moms and dads need to buy diapers and baby formula and pay full price. Clipping coupons, waiting for sales and recycling cans takes time. There are people who work two or three jobs who are struggling to make ends meet, and who have it hard enough setting aside quality time for their children. Families may not have the time to recycle their cans. Should they be hurt financially because recycling is not their families’ first priority? These are the individuals and families that this bill hurts.

“What this bill does is create a mandated financial imposition to get the public to recycle. However, since not everyone will have the time, the ability and the wherewithal to recycle, it is an unfair mandated financial burden.

“When the collection of the deposit begins in 2005, \$40 million is the projected revenue from the five-cent deposit. The proponents are targeting 80 percent of the containers to be recycled, which means that \$32 million of that will be going back out to the public. Under this projection, \$8 million stays with the State. If the program has to be implemented, the program should be run from this money that stays with the State. Instead, a container fee of 1½ cents per container will charge the public an additional \$12 million to run this program. The program is scheduled to cost \$18.2 million with \$1.8 million projected as excess revenue.

“If the redemption rate does not hit 70 percent, the container fee would be one cent instead of 1½ cents. This would be 7.7 percent reduction in the amount collected on each can, bottle or container. Would this mean that, in order to keep the program from running a deficit, the five-cent deposit would later need to be raised to a 10-cent deposit per container like one of the states on the mainland?

“Mr. President, is it fair to charge a 39 percent increase for a case of soda to the families in our State that are already struggling to make ends meet? Do we need to pass a flawed bill this Session for a program scheduled to begin in the year 2005? I say, ‘No,’ Mr. President.

“I urge my colleagues to vote ‘no’ on this measure.”

Senator Kim rose to speak in favor of the measure and stated:

“Mr. President, I rise to speak in favor of the measure.

“Mr. President, I’ve been listening to all of the discussion here this afternoon and it’s certainly one that I’m glad that we’re having.

“Mr. President, whether the government adds a cost for recycling or whether dealers raise their prices or give sales, people are out there and people have choices whether or not to buy a product, whether or not they’re going to pay. And whether or not Coca Cola or some other company decides they’re going to raise their prices, we are stuck having to pay the cost, and most often, those people that can least afford it

have to pay these costs. So I don’t know if it’s really fair to say that by adding on this cost we’re really affecting those people.

“This is a measure, Mr. President, that is really not new and I don’t believe it’s been rushed. As far as I can remember, getting into office in 1982, we’ve talked about a bottle bill. I also remember having a bottle bill as a child, collecting a bottle and getting two cents at the store. Now I don’t know about back then because I wasn’t astute enough as a child to understand how that happened – whether or not my parents paid two cents more, we were very poor at the time, or whether they paid two cents more for every bottle every time that we drank soda. Of course we couldn’t always afford to buy soda so we drank a lot of water from the pipe, but in order to get spending money, many of us went around the neighborhoods scouring for bottles so that we could have extra spending money. I believe that there were many times when there were absolutely no bottles to be found because everyone else was finding these bottles.

“So these are things that are not new. I don’t believe we can compare it to the traffic cam. The traffic cam was not around back in the ‘50s and the ‘60s when we had a bottle deposit back then.

“But there is a price to pay to live in paradise, Mr. President. There is a price to pay to recycle, and as we find our landfills filling up, as we find people throwing litter around and not being as responsible, there is a cost. Do we want to have redemption centers around every corner or do we want a landfill around every corner? I believe that’s an answer we each have to deal with within our own decision making.

“Earlier today, Mr. President, I’m proud that we passed a wet waste bill. We are going to recycle and mandate wet waste so that we recycle in our schools and in the counties and in our private businesses. I believe we do need a comprehensive program in recycling, but again, there are costs.

“I also want to correct our good Senator from Waipahu who feels that many of the rural areas are exempt. As our good Senator from the Big Island said, they are not exempt. The only ones that are exempt are dealers in the rural areas that they do not have to have redemption centers. They are exempt from that, but these areas are not exempt from recycling.

“Mr. President, for these reasons, I’ll be supporting the measure. Thank you.”

Senator Chun rose to speak in support of the measure and said:

“Mr. President, I stand in support of the measure.

“Mr. President, a question has been raised by the Minority Leader in terms of whether or not the title fits this bill because the title says solid waste management. There’s two points raised in this bill. One is for litter and I think we’ve talked about that in terms of the wonderful beaches on the neighbor islands and on the Leeward Coast. But there are other aspects to this bill other than beautiful beaches and that is the resource conservation of our landfills, and that’s where the solid waste management part comes in.

“Mr. President, we all know we have huge problems with our landfills. No matter what county we live in in this State, we are finding landfill space to be limited. On Oahu they’re looking at closing the landfill at Waimanalo Gulch and moving it somewhere else. On Maui they just opened a new landfill. And on the Big Island they moved one from Hilo down to the Westside of the island. Similarly on Kauai, we’re looking at

closing our landfill within the next two years and finding a place to open a new one.

“Those activities cost money and that cost will rise every year. There seems to be no end in sight. People think that once we throw something away it’s gone and out of mind and there’s no cost to it. That is wrong. Because every time we throw something away there is a cost. We have to find a way to dispose of it. Whether we dispose of it through recycling, whether we dispose of it through burning, whether we dispose of it by landfilling, there is a cost.

“The problem is that the cost of landfills seem to be more than anything else right now, and the only ways we can control that is, one, we don’t consume as much, which I haven’t heard anybody discuss right now, or the second way is we need to recycle more, and this is what this bill tries to do. It tries to focus on what everybody seems to have said that they’re willing to do – recycle.

“Now, I’ve heard the arguments in terms of why does government have to be involved? Why does government have to do this? Let the private sector do it. Mr. President, we have tried that. The private sector has been trying to recycle more. The problem is there is, at this point in time, not enough of a market for recyclable goods for the private sector to make a go of it. We might disagree why those businesses have come and gone, but the bottom line every time I’ve talked to those businesses is that they do not have a market, a steady and reliable market for the recyclable products.

“Now that begs the question, How do we take care of this market? Do we spend government funds and jump into the marketplace ourselves? Or do we increase the volume so that they might be able to get a market? I think this bill does an excellent job of the latter, and that is to increase the volume. Increase the volume so that they can have a fighting chance at the market.

“I’m not quite sure whether it will work. I think that’s one way of doing it, but my support for this bill is because we need to do something about this. We need to do something about getting out of our landfills, basically, things that could be recycled. We are landfilling too many things that could be recycled and it is filling up our landfills rapidly.

“This bill will accomplish that. Can it be made better? Yes, it can. But until we have actually addressed the issue of how to do a better job of whether or not the volume comes first or government subsidies need to be there, I will support this bill because I believe it’s a step in the right direction and we need to give it a chance to work.

“So, Mr. President, I’ve listened to all the arguments both by Minority and some of my fellow colleagues who disagree with this bill. But after listening to all the arguments, I come back to the main problem and that is how we’re going to take care of our limited landfill resource. The only way that I can think of doing this is through a bill such as this which would get our bottles and other containers, because it’s not only bottles, out of the waste stream and into the recycling stream.

“I believe that is a step in the right direction. From there we can go on and address the other issues of recycling, the other issues of a solid waste management plan, and hopefully, Mr. President, we don’t have to keep on spending taxpayers’ monies on landfilling.

“So Mr. President, I stand in full support of this bill.”

Senator Sakamoto rose again and said:

“Mr. President, I rise partially in response to the previous speaker and some of the other previous speakers.

“I remember the Coca Cola bottles and I think it was economical for Coca Cola to say we want our bottle back, we’ll wash it. So I don’t believe that was government. I think that was economical for the bottlers to say we want our bottle back because it’s cheaper to get our bottle back then to fly in bottles from the mainland.

“I think on the matter of landfills, some of us were fortunate to see the recycler on Sand Island. They’ve got these containers with brown glass, green glass, white glass, plastic, shiny paper, shredded white paper, shredded colored paper, and I don’t think by volume if they had ten times the volume are they going to be a loss leader and we’re going to ship all this stuff to China at ten times the volume? They’re not going to make anymore money. That’s ridiculous.

“And if the issue was landfill, what are we going to do with these god darn plastic bottles? Over here they get burnt up. The aluminum cans, some of them get burned up and they get to be slag, and I guess that’s not as good as recyclable. But I think we’re confusing some of the issues.

“For this body, it’s not economic. We’ve got a problem.”

Senator English rose to speak in support of the measure and said:

“Mr. President and members, I rise in strong support of the measure.

“We’ve heard from the community, and just check your email even though it may be a bit of spam, if you want to call it that, but the Senator from the Big Island understands this very well. It’s the same thing; it’s the same message, but I’ll tell you, and it comes from a web page that people went through, so yes, it is spam indeed, but it is someone at the other end that took the time to click on that web page, find it, click on the thing, and send it automatically to you. And if you add up thousands and thousands and thousands of emails that you got, even though it is spam, even though it wasn’t original messages, even though it was the same thing over and over, it showed that there was strong support in the community for such a measure.

“Now, I can tell you from Maui County’s perspective that we are solidly behind this. The county government is ready to go; many of the people in Maui County are ready to go. Personally, I think that this is one of the crown jewels of this legislative session, in that we are doing something proactive for the environment and something that will help us to clean up this place, reduce the amount of landfill, and make Hawaii a better place.

“So I urge you all to support this measure and let’s give it a chance. Let’s let it work. Thank you, Mr. President.”

Senator Chumbley rose in support of the measure with reservations and stated:

“Mr. President, I rise to support the measure with reservations.

“I can support the policy framework of this, Mr. President, and I think it is moving in the right direction. In fact, I’m going to ask the good Senator from Kahala if I can have the plastic bottle on the top of his desk and I’m going to save it for redemption. (Laughter.)

"Mr. President, what I don't support in this bill is the economics of it. The economics, as raised by the Senator from Ewa Beach and others, I think are legitimate. County and state government should get out of the way and let the private sector do this if we are going to have this bottle bill process.

"The good Senator from Kauai was talking about the Maui landfill being new. We opened that landfill in 1984, so it's been some time now, and that landfill is at a point where it's getting very, very full. That was the landfill in Waikapu that moved over to near the HC&S Plant, and that was in the mid-80s that it was transferred.

"Personally, I think that this will divert a lot of solid waste out of that landfill, but I believe a lot of people still need to go much further into a comprehensive recycling program. The three R principle is something that's not talked about in this measure or talked about as a public policy and that needs to be looked at more – reduce, recycle, and reuse. Until we do that, we're not going to solve our solid waste problems.

"I don't think that I'll be going to the redemption center a lot myself. I think that whatever containers I have I'll donate to some youth organization in my community and they'll be knocking at my door making sure there's not a cockroach trap in my neighborhood in hauling away all that material.

"As to the point about consumption, I think I've made up my mind already. I intend to call Tim Lyons from Budweiser and see what I buy a keg of Bud Light for and have a keg in the refrigerator. That way I avoid the container bill entirely and there's no deposit required.

"So, with all those reasons, I think I can support it from just the policy standpoint. Thank you."

Senator Hogue rose to speak in favor of the measure with reservations as follows:

"Mr. President, I rise to speak in favor of this bill with reservations.

"I think that there are some good points that are made here with regards to how much we want to safeguard our environment and I really support those ideas. I think, however, we need to safeguard our economy.

"One issue that has not been brought up and I think it should be, however, I have lived in other states where they had bottle bills and I have found that it is used as an impetus for you to go to the store. So, although the stores will definitely absorb some cost, they also might see some good things where people who may not be going to the store will go there. So, I think that needs to be pointed out.

"There are some very big concerns, however, economically and I'm concerned about the tax portion of this bill whether it's a half cent, one cent, one-and-a-half cents, two cents, it's still a tax. I would certainly prefer that the state's recycling efforts be funded by the unreturned rebates or be privatized. I really like the idea of the Senator from Maui talking about a public/private partnership.

"Second, I'm concerned about this added bureaucracy. It was noted earlier about the traffic camera fiasco here and it really was a fiasco. And if I thought in the likes of Brian Minaai and Marilyn Kali we're going to run this program, I definitely would be voting 'no.' However, I'm compelled to say that I believe that there will be a total change of leadership in November and when Linda Lingle becomes governor, we'll finally have someone who can run this program appropriately.

"I am throwing my support behind this effort because I believe that we must do whatever we can to make Hawaii beautiful. And if I could tell you a little bit about my own home, I have a beautiful place on Enchanted Lake that backs up to a wildlife and bird sanctuary. There's a little stream and pond behind it. It is absolutely gorgeous. When it rains, trash comes down from Keolu Hills, not refrigerators, not bags, not other kinds of trash but bottles and soda pop cans. And I have to go out there and clean it up. So, selfishly, I want to support this.

"Also, I have seen how beautiful our beaches are in Kailua, how beautiful our bays are in Kaneohe. I want them to be that way. I was involved in a litter cleanup program and we went out and we were sifting through the sand and we found too many bottles, and pieces of plastic and pieces of glass along the beaches and along the bay and I think this will promote an impressive return to our environment.

"And finally, I just wanted to add this – I talked to a friend of mine who moved from Hawaii, unfortunately because of the bad economy several years ago, who moved to the State of Oregon. And they have a bottle bill there. And so I said, well, how is it? And she said it's fantastic. I really appreciate it. It makes our community a better place to live. She is 100 percent behind it. I believe in her and I hope you will believe in this.

"We'll get through the tax implications. We'll get through the bureaucratic problems with a change of leadership. Support the bottle bill. Thank you."

The motion was put by the Chair and carried, Conf. Com. Rep. No. 124-02 was adopted and H.B. No. 1256, H.D. 2, S.D. 2, C.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SOLID WASTE MANAGEMENT," having been read throughout, and Roll Call vote having been requested, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 6 (Buen, Kanno, Kawamoto, Matsuura, Sakamoto, Slom).

Senators Chumbley, Ige and Tam cast their Roll Call votes "Aye, with reservations."

At 6:24 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 6:36 o'clock p.m.

Conf. Com. Rep. No. 127-02 (H.B. No. 1821, H.D. 2, S.D. 1, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 127-02 be adopted and H.B. No. 1821, H.D. 2, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Chumbley rose to speak in opposition to the measure and said:

"Mr. President, I rise to speak in opposition to this measure.

"Those tricky little guys over in the House. I'll tell you. They pulled a quick one on this, Mr. President.

"As this S.D. 1 left our body, and by the way members, this is the first time I've seen a bill . . . this is Act 1 of the 2002 Legislative Session, and this is the first time I've seen an Act within the same legislative session come back as an amendment. So it's a little bit clever. But as the bill came out

of the Senate, it allowed for an appropriation for the auditor to do some work, and I think that work needs to be done.

“What I have objections to, Mr. President, is page 2, line 16 through page 3, line 2. This would set up a process where the auditors would be allowed to charge the various departments for the audits that we’re asking the auditor to do. I find that quite confusing because of separation of powers of government. I think if we want our legislative auditor to be independent of the executive branch and do those audits, that auditor could be influenced by the amount of money that department then would pay or not pay through this process. It just seems like a really, really poor way for us to have the legislative auditor do our work. If we want the legislative auditor to audit a department, let’s provide the general funds. We have that ability to do it.

“What is troublesome about this measure is I don’t believe we can vote this down because this appropriates the money for the legislative auditor to do the work over the next fiscal year. So if this bill dies, there’s no money to do those audits that we want. So it’s a Catch-22. This is a poison pill for me and I hope that all of you look at it very closely.

“The good Senator from Hawaii Kai said we’re going to have a tie vote on this one. Thank you.”

Senator Hogue rose to speak with reservations on the measure as follows:

“Mr. President, I will vote with reservations.

“I think the Senator from Maui has brought up some very valid points here. Anybody who’s been in accounting knows that you cannot even have an appearance of conflict of interest. So I’ll be voting with reservations.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 127-02 was adopted and H.B. No. 1821, H.D. 2, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE LEGISLATIVE AUDITOR,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 2 (Chumbley, Inouye).

Conf. Com. Rep. No. 128-02 (H.B. No. 2451, S.D. 2, C.D. 1):

Senator Kim moved that Conf. Com. Rep. No. 128-02 be adopted and H.B. No. 2451, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose to speak against the measure as follows:

“Mr. President, I’m voting ‘no’ on the bill.

“I do want to extend my compliments and best wishes to the Chair of TIA. She tried so hard. She got it down from two special funds to only one special fund. But that again is kind of like the employer/successor bill which was from 100 percent down to 50 percent. It’s still got the convention center enterprise special fund. So, I’m forced to vote ‘no’ but thank you for your good intentions, Senator.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 128-02 was adopted and H.B. No. 2451, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE

CONVENTION CENTER,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

Conf. Com. Rep. No. 129-02 (H.B. No. 2595, H.D. 1, S.D. 1, C.D. 1):

Senator Kim moved that Conf. Com. Rep. No. 129-02 be adopted and H.B. No. 2595, H.D. 1, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kawamoto.

Senator Chumbley rose for a conflict ruling and said:

“Mr. President, I’d like a ruling on a potential conflict of interest.

“I’m the managing partner and general manager of a business called the Maui Tropical Plantation which is a 60 acre agricultural visitor park in Waikapu Maui. We host about 325,000 visitors per year. (That’s the end of the commercial.) I do intend to apply for a grant under this program, Mr. President, so my business would benefit directly from this.”

The President ruled that Senator Chumbley was not in conflict.

Senator Taniguchi rose and said:

“Mr. President, can I appeal that?” (Laughter.)

Senator Kim then rose and said:

“Mr. President, I intend to advise the HTA not to allow him to apply. Thank you.” (Laughter.)

The President responded:

“We don’t know if he’s going to get his grant or not.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 129-02 was adopted and H.B. No. 2595, H.D. 1, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT MAKING AN APPROPRIATION TO ENHANCE AGRICULTURAL TOURISM VENUES,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Chumbley).

At 6:41 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 6:44 o’clock p.m.

Conf. Com. Rep. No. 140-02 (S.B. No. 3048, S.D. 2, H.D. 1, C.D. 1):

Senator Taniguchi moved that Conf. Com. Rep. No. 140-02 be adopted and S.B. No. 3048, S.D. 2, H.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Kawamoto.

Senator Slom rose in support of the measure with reservations and stated:

“Mr. President, I rise in support of the measure with reservations.

“Well, my reservations are twofold. Number one, I notice that we’re going to have a world class navy/marine corps visitor attraction on Ford Island. And I noticed that in all of our bills, anything that we do and everything we do is always world class, nothing less than world class except when it gets built and then we take a look at it and it’s less than world class.

“The second thing is, originally, I think the bonds were supposed to be issued through DBEDT and I notice now that the bonds, the SPRBs, will be issued through the Department of Transportation. My good friend from Waipahu, I worry about that because we don’t know what’s going to happen with those extra cams that are sitting out on the freeways and roadways and all, and with the Department of Transportation issuing these bonds, I’m a little concerned about that.

“But I’ll support the project overall. Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 140-02 was adopted and S.B. No. 3048, S.D. 2, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO BONDS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 142-02 (S.B. No. 2127, H.D. 1, C.D. 1):

On motion by Senator Nakata, seconded by Senator Taniguchi and carried, Conf. Com. Rep. No. 142-02 was adopted and S.B. No. 2127, H.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE EMPLOYEES’ RETIREMENT SYSTEM,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

Conf. Com. Rep. No. 146-02 (S.B. No. 3049, S.D. 2, H.D. 2, C.D. 1):

Senator Kawamoto moved that Conf. Com. Rep. No. 146-02 be adopted and S.B. No. 3049, S.D. 2, H.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Slom rose to speak in opposition to the measure and said:

“Mr. President, I rise in opposition to S.B. No. 3049.

“Hey, it’s the ferry system back again. We haven’t had the ferry system in quite some time now and every attempt at the ferry system has failed, so let’s try a new ferry system with new bonds! No, come on, let’s not. Let’s not do it. I oppose it.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 146-02 was adopted and S.B. No. 3049, S.D. 2, H.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO BONDS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

Conf. Com. Rep. No. 157-02 (H.B. No. 2459, S.D. 2, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 157-02 be adopted and H.B. No. 2459, S.D. 2, C.D. 1, having been read

throughout, pass Final Reading, seconded by Senator Taniguchi.

Senator Hogue requested his vote be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Conf. Com. Rep. No. 157-02 was adopted and H.B. No. 2459, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATION FOR SOCIAL SECURITY/MEDICARE EXPENSES,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Conf. Com. Rep. No. 161-02 (H.B. No. 2834, S.D. 2, C.D. 1):

Senator Menor moved that Conf. Com. Rep. No. 161-02 be adopted and H.B. No. 2834, S.D. 2, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Matsuura.

Senator Hogue rose to speak in opposition to the measure and said:

“Mr. President, I rise to speak in opposition to this bill.

“This bill, as opposed to H.B. No. 1950, forces drug makers to negotiate lower prices for prescriptions. Sounds like a good idea but it is essentially price controls. Such restrictions would violate federal policy.

“My office recently received a letter, and you can come up to my office if you want to take a look at it, written by a federal Medicaid administrator that states:

‘A state Medicaid program may not be used as leverage to get manufacturers and pharmacies to participate in a state pharmaceutical assistance program nor may federal dollars be used for such a program.’

“The restrictions that the state is threatening the drug companies with is nothing short than another form of price controls and the obvious dangers that go along with it. This law could also mean that health care costs would be shifted elsewhere.

“One possibility is that pharmaceutical companies might be forced to charge higher prices to those outside the confines of the Medicaid program. For example, about 66 percent of seniors have some sort of prescription drug coverage. In many cases, a private insurer offers this coverage. Typically, insurers use their bulk-buying power to receive discounts on drugs. This law could end up ending this discount as drug companies attempt to spread out their cost. If so, Hawaii will hurt one set of residents to help another. Such a cost shift would benefit healthy young residents at the expense of our most vulnerable population, our seniors who bear the bulk of drug costs and who are supporting this.

“In conclusion, earlier in this Session I pointed to the ongoing court challenge to a similar Rx law that was passed by the State of Maine. At that time, we urged our fellow legislators to be prudent and wait for that situation to play itself out in court before passing our own legislation. Now, I have a letter, in fact I have it right here, addressed to the Chair of the Senate Health and Human Services Committee – Dear Chair from the Big Island (we’re not supposed to use names here), dated March 5. The last paragraph states the following:

‘The bill, if passed, will most likely result in litigation based on constitutional challenges that may be decided by

the United States Supreme Court this year. Given the status of the Maine case, it would be prudent to wait on the Supreme Court ruling before passing a potentially unconstitutional law.’

“Colleagues, let’s be prudent. You passed the other prescription drug legislation. I supported that one. Don’t support one that could be unconstitutional. Vote ‘no.’ Thank you.”

Senator Menor rose to speak in favor of the measure and said:

“Mr. President, I rise to speak in favor of this particular measure.

“Mr. President, the measure that is now before us, H.B. No. 2834, S.D. 2, C.D. 1, represents a key bill in the package of critically important consumer protection bills that we will be acting upon this Session. This measure stands as the centerpiece of the Legislature’s efforts to control the high cost of prescription drugs. This measure establishes the Hawaii Rx drug program that gives residents the chance to enroll in a buying pool which would be able to negotiate discounts with drug companies and pharmacies.

“Mr. President, a broad cross-section of Hawaii residents, especially our senior citizens, badly need this legislation because the issue of rising prescription drug costs is a pervasive and insidious problem for those living on fixed incomes.

“The passage of this bill into law, in conjunction with H.B. No. 1950, the other prescription drug bill that we’ve already passed, would bring tangible benefits to about 230,000 residents in Hawaii who lack adequate drug coverage and who have to pay high prescription drug costs out of their own pockets. How much will this bill help? Based on the Maine prescription drug program, on which Hawaii’s program is modeled, Hawaii consumers could enjoy drug price reductions of as much as 30 percent when it is fully implemented, based on official projections from Maine.

“This bill has received broad support from organizations throughout the State such as AARP, senior citizens’ groups, consumer groups, and labor organizations – a strong indication of the significant amount of benefits it is expected to deliver.

“Now, several of my colleagues from across the aisle have raised arguments against this pro-consumer bill, calling for the Legislature to vote it down because its passage could subject our State to legal challenges. Where have we heard these arguments before? That’s right, these are the same arguments the pharmaceutical companies have raised – not only here in Hawaii, but also throughout the country – in their efforts to block any legislation that would compromise their huge profits, regardless of the relief from debt and suffering it would provide to consumers in Hawaii.

“I wholeheartedly disagree with those who say that the threat of lawsuits by the pharmaceutical companies should discourage the Legislature from acting in the best interests of our most vulnerable citizens by providing badly needed legislation. Should we allow these companies and their apologists to further diminish the quality of life for those who are ill and live only on a limited fixed income? Mr. President, I think not.

“If the big drug companies sue the State of Hawaii after the Hawaii Rx program is fully implemented, I believe that the State has an excellent chance of prevailing in court. The legality of our model, the Maine program, has already been upheld in the United States Court of Appeals of the First

Circuit. The ruling of this court will provide our State with strong legal precedent to support the constitutionality of Hawaii’s program.

“Furthermore, the concern that the State would incur expense and inconvenience in the event that it goes to court and wins must be balanced with the very real benefits the people of Hawaii will unquestionably receive from a prescription drug program that should save consumers millions of dollars.

“I would also like to note that the Attorney General’s opinion to which the previous speaker had referred regarding this issue did not conclusively say that the proposed Hawaii Rx program would be unconstitutional. It basically pointed out what we all acknowledge, which is the fact that the drug companies may subject our program to legal and constitutional challenges. Moreover, in reaching this opinion, the Attorney General pointed out several technical flaws in the bill that have since been corrected in the conference draft that we are now voting upon this evening.

“Finally, let’s discard the false argument raised by opponents that this measure is too broad because it would cover persons outside of the Medicaid population. This bill addresses the needs of a large segment of our society who, although in dire need, are often forgotten and fall just short of eligibility for government programs – the so-called ‘gap group,’ who earn too much to qualify for the Medicaid prescription drug waiver program under H.B. No. 1950, but who can’t afford adequate drug coverage because their limited incomes effectively prevent them from getting expensive medicine that they so desperately need.

“My fellow colleagues, today we have a rare opportunity to bring hope to thousands that have much less than most of us, but are afflicted with the same illnesses and deserve the same access to relief and a healthier life that we all aspire to. In that regard I thank my Co-Chair, Senator David Matsuura, for his support of this bill and for allowing my Committee to move this bill through the process.

“In closing, I respectfully ask my colleagues to vote in favor of this strong pro-consumer bill, H.B. No. 2834, S.D. 2, C.D. 1. Thank you.”

Senator Hemmings rose to speak against the measure and said:

“Mr. President, I rise to speak against this legislation.

“Some rhetorical questions that need to be answered that were more or less misrepresented. It was said that the drug manufacturers and pharmaceutical companies have raised up the cry of the constitutionality and the legal barriers to this thing. That’s not true. The attorney general of the State of Hawaii said it would be prudent, because of constitutional questions, to delay passing of this bill. Clearly spelled out, that has nothing to do with the technicalities of the legislation as previously addressed by the speaker just before me.

“By the way, it’s not against the law to make money. It is against the law to regulate interstate commerce, according to the United States Constitution.

“I also want to correct another misrepresentation. The Maine Rx program has not been implemented or enacted to date. What is being challenged in the constitutional grounds is healthy Maine law that has come into effect and it is being challenged.

“So the prudent thing to do for a change is to follow the advice of the attorney general and wait until we have these

constitutional questions answered before we proceed with this legislation.

“Thank you, Mr. President.”

Senator Matsuura rose in support of the measure and said:

“Mr. President, I rise in support of this measure.

“I have some written comments to insert into the Journal.”

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

“The Rx Bill (H.B. No. 2834, S.D. 2, C.D. 1, Relating to Prescription Drugs) has consequences that will impact patients who are on needed medication. The bill (H.B. No. 2834, S.D. 2, C.D. 1) states that if a drug company fails to participate in the voluntary rebate program all their drugs will be placed on a ‘prior approval’ list. This means the doctor has to get state approval for any prescription he writes. So what does that do? This approval will mean the patient may be off his drug and mean higher costs as the only alternative is to go to the ‘emergency room.’

“I understand the National Alliance for the Mentally Ill have over this past session tried to obtain an exemption that is listed in at least 10 other states that would exempt out the drugs that are used to treat mental illness.

“With the state acting as ‘gatekeeper’ the doctor loses control of his ‘care’ plan and the patient is at risk for unintended consequences. It should be part of the public record that hurting the mentally ill was not the intent of this Legislature. Therefore, we believe that next session this body should put safeguards in place like over 10 other states have done to ensure the mentally ill have access to the proper medications they need.

Bottom line:

1. Formularies should provide exemptions for medications used for persons with serious mental illnesses. Brain disorder medications are not ‘one size fits all’ medications;
2. People who are already on therapeutically effective medications should be able to continue their program; and
3. Anything, such as prior authorization that complicates the process and is not user friendly would be an impediment to our fragile population who have serious mental illnesses.

“The committees involved in this bill should address this issue prior to next session.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 161-02 was adopted and H.B. No. 2834, S.D. 2, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PRESCRIPTION DRUGS,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Hemmings, Hogue, Slom).

Conf. Com. Rep. No. 108-02 (H.B. No. 2072, H.D. 2, S.D. 1, C.D. 1):

Senator Matsuura moved that Conf. Com. Rep. No. 108-02 be adopted and H.B. No. 2072, H.D. 2, S.D. 1, C.D. 1, having been read throughout, pass Final Reading, seconded by Senator Hanabusa.

Senator Slom rose to speak in opposition to the measure and said:

“Mr. President, I rise in opposition to the bill.

“The bill is well-intentioned, more money and more assistance for the homeless, however, what it does is take \$1 million as a raid from the other fund. This was the only individual appropriation separate from the rainy day fund.

“There are lots of funds and lots of money in other funds that were specifically earmarked for homeless assistance and we really haven’t done an audit as to see where we are on that program.

“Thank you.”

The motion was put by the Chair and carried, Conf. Com. Rep. No. 108-02 was adopted and H.B. No. 2072, H.D. 2, S.D. 1, C.D. 1, entitled: “A BILL FOR AN ACT RELATING TO SOCIAL WELFARE,” having been read throughout, passed Final Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

At 6:59 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 7:02 o’clock p.m.

S.B. No. 2669, H.D. 1:

By unanimous consent, S.B. No. 2669, H.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST PROJECTS ON THE ISLANDS OF MAUI AND HAWAII,” was recommitted to the Committee on Conference.

RECONSIDERATION OF ACTIONS TAKEN

S.B. No. 2477, S.D. 2 (H.D. 2):

Senator Chun moved that the Senate reconsider its action taken on April 11, 2002, in disagreeing to the amendments proposed by the House to S.B. No. 2477, S.D. 2, seconded by Senator Kawamoto and carried.

In accordance with the Conference Committee Procedures agreed upon by the Senate and the House of Representatives, the managers on the part of the Senate recommended that the Senate agree to the amendments proposed by the House to S.B. No. 2477, S.D. 2, on the following showing of Ayes and Noes:

Ayes, 4 (Chun, Taniguchi, Chun Oakland, Hemmings). Noes, none. Excused, 1 (Ige).

Senator Chun moved that the Senate agree to the amendments proposed by the House to S.B. No. 2477, S.D. 2, seconded by Senator Kawamoto.

Senator Chun noted:

“Mr. President, this bill relates to the granting of the Office of Hawaiian Affairs the authority to award grants. There were technical amendments made by the House to the Senate bill which we review with the Office of Hawaiian Affairs and the procurement office to make sure that it complies with everyone’s concerns. So we have agreed to those amendments.

"It did not change its substantive provisions but merely technical in nature."

The motion was put by the Chair and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2477, S.D. 2, and S.B. No. 2477, S.D. 2, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," was placed on the calendar for Final Reading on Thursday, May 2, 2002.

S.B. No. 2498, S.D. 2 (H.D. 1):

Senator Matsuura moved that the Senate reconsider its action taken on April 3, 2002, in disagreeing to the amendments proposed by the House to S.B. No. 2498, S.D. 2, seconded by Senator Menor and carried.

In accordance with the Conference Committee Procedures agreed upon by the Senate and the House of Representatives, the managers on the part of the Senate recommended that the Senate agree to the amendments proposed by the House to S.B. No. 2498, S.D. 2, on the following showing of Ayes and Noes:

Ayes, 4 (Matsuura, Nakata, Kim, Hogue). Noes, none. Excused, 2 (Menor, Fukunaga).

Senator Matsuura moved that the Senate agree to the amendments proposed by the House to S.B. No. 2498, S.D. 2, seconded by Senator Menor.

Senator Matsuura noted:

"Mr. President and fellow colleagues, this is our second bill relating to social workers. This is our just in case bill that if the Governor vetoes our first one this second one is going up." (Laughter.)

Senator Hemmings rose and said:

"Mr. President, I would like to remind your Majority Party that your loyal opposition is willing not to be a rubber stamp of the Governor's vetoes and we can always override vetoes when the opportunity presents itself.

"Thank you, Mr. President."

The motion was put by the Chair and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2498, S.D. 2, and S.B. No. 2498, S.D. 2, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SOCIAL WORK," was placed on the calendar for Final Reading on Thursday, May 2, 2002.

S.B. No. 2885, S.D. 2 (H.D. 1):

Senator Menor moved that the Senate reconsider its action taken on April 11, 2002, in disagreeing to the amendments proposed by the House to S.B. No. 2885, S.D. 2, seconded by Senator Taniguchi and carried.

In accordance with the Conference Committee Procedures agreed upon by the Senate and the House of Representatives, the managers on the part of the Senate recommended that the Senate agree to the amendments proposed by the House to S.B. No. 2885, S.D. 2, on the following showing of Ayes and Noes:

Ayes, 3 (Menor, Taniguchi, Hogue). Noes, none. Excused, 1 (Kim).

Senator Menor moved that the Senate agree to the amendments proposed by the House to S.B. No. 2885, S.D. 2, seconded by Senator Taniguchi.

Senator Menor noted:

"Mr. President, I make the recommendation that I am making right now because of the fact that I agree with the House amendments. The House draft includes amendments to assure telecommunications providers that the Department of Taxation will not apply rules retroactively to invalidate a provider's segregation method by clarifying that segregation must be in conformance with rules subsequently adopted by the Department of Taxation.

"Another amendment is that the effective date has been changed from July 1, 2050 to July 1, 2002.

"I recommend adopting these amendments because I believe that they are reasonable."

The motion was put by the Chair and carried, the Senate agreed to the amendments proposed by the House to S.B. No. 2885, S.D. 2, and S.B. No. 2885, S.D. 2, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," was placed on the calendar for Final Reading on Thursday, May 2, 2002.

RECALL OF HOUSE BILL 2487

H.B. No. 2487, H.D. 1:

Pursuant to Senate Rule 51, Senator Matsunaga moved to recall H.B. No. 2487, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DEATH WITH DIGNITY," from the Committee on Health and Human Services, seconded by Senator Chumbley.

At 7:09 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 7:28 o'clock p.m.

The President then inquired:

"Mr. Clerk, have 20 days elapsed since H.B. No. 2487, H.D. 1, was referred to committee?"

The Clerk replied:

"Yes, Mr. President, H.B. No. 2487, H.D. 1, was referred to the Committee on Health and Human Services on March 8, 2002. The required number of days have elapsed since referral."

The Chair then stated:

"The Chair will provide for limited debate to allow the movant to state the reasons for the motion to recall."

Senator Matsunaga rose and said:

"Mr. President, H.B. No. 2487 is the death with dignity bill.

"Mr. President, let me first commend the Chair of the HHS Committee for holding a hearing on this bill and for also standing firm for what he believes in in the face of strong opposition. I think that's very admirable.

"Mr. President, regardless of where you are on this issue, this is an issue of significant importance that is worthy of debate,

discussion, and decision on this Senate Floor. Mr. President, the public deserves to know where we stand on this issue.

“Mr. President, I ask my colleagues to join me in bringing this bill to the Floor for discussion.

“Thank you, Mr. President.”

Senator Chun rose to oppose the motion and stated:

“Mr. President, I stand in opposition to the motion.

“Mr. President, I’m all for bringing the matter for public and open debate on this, and that was one reason why I requested the Chairman of HHS, when the bill was sent over to us from the House, to have a hearing on this because everyone, everyone, should have the opportunity to hear both sides of the arguments – the pros and the cons. Everyone should have the opportunity of asking hard and thoughtful questions in terms of is this where we want to go as a society. Is this the direction of the State as a policy? We all should be given that opportunity to participate in that kind of discussion. And after hearing all the discussions, after hearing all the testimony, to make an informed and valid decision.

“Mr. President, this motion robs us of that opportunity. This motion robs us of that ability to make informed and intelligent decisions that are so important to this State as a matter of policy. This motion instead would have us rush into something and put a bill before us for final vote without knowing exactly what the arguments were, without knowing what the ramifications are, and without knowing what are the unintended consequences.

“Mr. President, I would have participated in HHS’s hearing on that because I know the Honorable Chairman would have let me participate if I showed up. Unfortunately, on that day we had a number of important bills before other Committees that I sit on so I was not able to sit on those hearings. I was anticipating, Mr. President, based upon the referrals, that it would have gone on to Judiciary, which I sit on, and I would have anticipated that the Judiciary Chair would have also had a hearing and we could have talked about all these things. We would have had a committee report from HHS in terms of an informed decision of what they think a majority of the Committee would support. We would have had an informed decision by the Committee on Judiciary and what they think a majority of that Committee would have supported. And we would have had an opportunity of weighing that, of saying whether the majority of those Committees and their thoughts and their analysis and their feelings were consistent with what we heard and consistent with what we feel should be a matter of policy. We don’t have that, and I think it’s a very, very bad idea for us to charge into this area without that kind of thoughtful process, without that kind of analysis, and without knowing exactly where we’re going to go with this new . . . make it be unknown, Mr. President, this is a new and uncharted course of policy for this State.

“Mr. President, I have many comments in terms of the wiseness of this bill, but I will reserve them for later on. I only want to address the procedure. Mr. President and members, this procedure is bad. This procedure disallows all of you from really actively participating in a democratic process. This process that we’re going to be going on and that we’re being asked to vote on if it passes will have you make a rushed and uninformed decision that will affect the lives of hundreds and thousands of people – and I’m talking about lives, not dollars and cents, lives. And if you want to rush into this decision, if you want to impact those lives without being informed of what’s going on and of the impact that this bill has, then go

ahead and vote for the motion. But if you think that this issue deserves good, solid public debate and your active participation in those discussions, and your thoughtful considerations of those issues raised by the people both pro and con, then I urge my colleagues to vote ‘no’ on this motion to pull the bill from the Committee.

“Thank you, Mr. President.”

Senator Chumbley rose to support the motion and said:

“Mr. President, I rise to speak in support of the motion.

“Mr. President and colleagues, we’ve had a lot of time to look at this measure. This measure was referred to the Committee on Health and Human Services on March 8. That’s approximately 7½ weeks ago. The Chairman – and thank you, Chair – held a hearing on it. Many of us in the Senate who do not sit on the Health and Human Services Committee don’t have that same opportunity to participate as the Chair and the committee members do. For myself, I don’t sit on HHS or Judiciary so my opportunity to learn and understand this issue was from March 8 when the House passed the bill over in its current form, from the time that the bill was introduced to the time a meeting with the advocates for the bill and the opponents for the bill, and discussing it with some of you in a more casual situation.

“I think what’s important is that this is our constitutional right. This is our ability to look at this measure and to debate it. The debate on this Floor will be good. What we are going to debate is just simply the contents of this bill. And yes, maybe I, too, would have liked to have seen some things differently that’s not in this bill, but this is what we have before us. This is what we have to base our decision on. And I think that the public should have a right to know how we feel about it, and I look forward to that debate.

“I’ve looked at the bill since March 8. I’ve got my own personal opinions about it and I’ll share those on Thursday. But from a procedural standpoint, what we’re doing today is appropriate and it is right.

“Thank you.”

Senator Sakamoto rose in opposition and said:

“Mr. President, I rise in opposition to the motion.

“What’s very disappointing to me, Mr. President, is some of the people who are speaking in favor of this are the very people who speak for sunshine in government, are the very people who say we should have public input, are the very people who press that procedure ought to be right.”

Senator Matsunaga interjected:

“Mr. President, point of order. Rule 73 violation, Rule 74 violation, would you please ask him to sit down pursuant to Rule 73.”

The President then said:

“Senator Sakamoto, would you please keep your remarks germane to the recall.”

Senator Sakamoto continued:

“Okay, well I apologize if I violated Rule 73. Back to the process then.

"I think this body owes, for any important measure, full public input. The bill may have laid somewhere from March 8 and, unfortunately, I think in the Chairperson consenting to a hearing, now that the bill has been heard in the Senate, we can do this. Had the bill not been heard, we could not do this. So, this will set a precedent for future legislators to say why should I concede to have a hearing if at the end hour the measure can be pulled to the Floor.

"So I think in light of the process of we'll have a hearing in the spirit of let's not bottle things up, if a measure like this goes forward, it works against having a hearing for the spirit of let's hear what the public has to say. So this is a very poor way to do things. I think if this was done earlier we could have had public input, whether it was the Judiciary Committee or elsewhere. That's another issue. But timing-wise this is very poor."

Senator Kawamoto rose in opposition and said:

"Mr. President, I rise in opposition of this motion.

"Mr. President, the reputation of this Senate and the way we conduct business is in the toilet. It's in the toilet! Even those problems they have across the street, our reputation is worse than that because of the things we are doing here this year.

"Mr. President, the proponents of this bill have tried for two years to embarrass you and this body."

Senator Chumbley interjected:

"Mr. President, point of order. The speaker is out of order . . . Rule 78, Mr. President."

Senator Kawamoto exclaimed:

"I'm talking about the procedure, Senator from Maui! You want to talk procedure, let's talk procedure!"

The President interjected:

"Senator Kawamoto, you are out of order. Please keep your remarks germane to the recall."

Senator Kawamoto replied:

"Okay. I'm just saying this procedure, the circumventing of this procedure just puts the reputation of the Senate in the toilet. One's word is no longer important here. One's integrity is no longer important here because of this procedure and many of these procedures that we've gone through this year.

"I'm ashamed. I'm totally ashamed of this body and our Democratic Party for allowing these kinds of things to happen in this body. And I apologize to those who have gone before us – the Nelson Dois, Senator Matsunaga, Senator Matsuura, Senator Dickie Wong – all those who have made this body so important and we have let it go down the tubes and in the toilet.

"Mr. President, I urge my colleagues for the integrity of this Senate, the integrity of your body, and the integrity of the fact that you are a Senator of this Senate, to vote 'no' on this motion."

Senator Matsuura rose in support of the measure with reservations and stated:

"Mr. President and fellow colleagues, I'd like to rise in support with reservations.

"I'd like to thank the Majority Leaders for their support, but I'll have written comments later."

The President having so ordered, Senator Matsuura's comments read as follows:

"Mr. President, I rise in support of the motion with reservations.

"I would like to thank the Majority Leaders for their support. My oath of office is to protect the Constitution of the United States of America and the State of Hawaii. I do not support this bill or the way it has been brought to the Floor, but this process is protected in our Constitution, and since this is a bill that was pulled out my Committee, I feel I have an obligation to support the process. I do believe this bill will seriously hurt our people but I have always said that I would not stand in the way if the Senate as a whole would like to debate this issue.

"For these reasons, I reluctantly stand in support of this motion with reservations. Thank you."

Senator Hogue rose to support the motion and said:

"Mr. President, I rise in support of the motion.

"I think this body does have integrity. I know that each of you are reaching down deep in your heart to make a very difficult decision.

"Last November I was asked to moderate a symposium on this very issue. All of the legislators were invited. I was the only one there."

Senator Kawamoto interjected:

"Point of order, Mr. President. Is he talking about the motion at hand or is he talking about the issue?"

The President then stated:

"Senator Hogue, please talk about the recall. We will have an opportunity on Thursday to debate the issue."

Senator Hogue continued:

"I support the recall. There was public input then. There was public input in the Health and Human Services Committee. You want to see public input, wait till tomorrow down here. You'll see loads of public input.

"So I support this. I support all of you making a very tough decision. Thank you."

Senator Chun rose again and said:

"Mr. President, I rise in opposition and in rebuttal.

"Mr. President, we heard from the Honorable Senator from Maui that this bill was referred to the Health and Human Services Committee on March 8, 2002. Pursuant to their rights, as they say, they could have recalled the bill on March 28, 2002, or anytime thereafter. That gives them a little more than a month to have taken this action, to exercise their right, and to have at the same time, if they really wanted their rights exercised, to also preserve the right of the people and the right of the other members to hear and to debate and to participate in an open public hearing on this matter.

"I compare this, interestingly enough, to the other bill that was pulled and to be forced upon a decision to this body at the

last minute and that is the VEBA bill that we all are so familiar with. I'm interested in knowing that in that bill they even insist and say don't worry about public participation. We'll give you guys an opportunity to have a public hearing and to ask questions and to work on the bill. And we were going to set that up and I appreciated that offer in that situation. I wonder why we are not given that opportunity in this one.

"Is it the reason that we really don't want to have participation? Is it the reason we don't want to have good debate on it or good information? Is it the reason that we have something to hide? Now I'm not going to assume that for the makers of this motion. I'm not going to assume that for the proponents. But what I'm raising is how are we consistently handling these types of issues.

"I appreciated the last time when they had a public meeting or, as I said, informational meeting. I appreciated that. It gave me a chance to vocalize about my concerns. It gave me time to ask questions. And it gave time for the proponents to respond. We don't have that here.

"I hear from the Honorable Senator from Kaneohe/Kailua that we're going to see debate tomorrow. Do I take that to mean we're going to recess and adjourn and go into an informational briefing or meeting like we did with the VEBA? I would welcome that if that's what you really mean, then at least we can address both sides and hear both sides and ask intelligent questions. I was not part of that panel discussion and so I was not able to do that.

"That's the whole basis of my opposition as far as the procedure. We're being robbed. Yes, Mr. President, robbed of the opportunity to adequately participate, to inform ourselves of all the issues, and to ask intelligent questions and to get intelligent answers from both sides.

"So Mr. President, I again go back and will urge my colleagues to vote 'no.'"

Senator Kim rose to oppose the motion and said:

"Mr. President, I rise to speak in opposition to this motion.

"Mr. President, as a proponent and a supporter of death with dignity in some form, I'm opposed to this motion because I believe that this could have been done earlier to allow discussion on this measure. It puts proponents like me in an awkward position because this may not be the measure in a total package that we would like to see. It does not give me an opportunity to hear from all of my constituents as to the detailed measures in this bill. We may need to put some amendments to the measure.

"I believe that we could have been given that opportunity. While there's a constitutional right, I think that there's also a right for members to be open and up front with the rest of us and not put us up against the wall as to being on record to say I support a form of death with dignity. And if I vote against this measure come Thursday, proponents will say, well you said you supported it, then I'd have to go and say, well there's certain things that I don't support. And then the people in my district who said we called your office and you told us the measure was held, you didn't give us an opportunity to tell us all your concerns that we had regarding this measure.

"So I think that kind of discussion is really needed and that if the people who are moving to push this to the Floor were sincere about that, then we would have that opportunity to do that. So while, again, I have been a supporter of the measure, I really feel that those who are doing this are really not taking

into consideration all of the concerns and that there are people out there who may not be in favor of this but may have some really good points on some of the things that need to be changed. I think that is such an important issue to put it at such a last minute.

"Even though this measure came on March 8, as was said, not all of us were able to attend the hearings. I don't sit on those Committees and I didn't bother to really look into the detail of the bills because it did not move out of Committee. It was my understanding that I cannot read every single bill in every single Committee, thinking that it may come to the Floor at the very last minute. All of the measures that were held, I could not spend the time reading all those bills thinking that it's going to come out two days before the end of the Session and therefore I'd be forced to have to read the measures and vote on the measures at the last minute. That is not responsible of us in this Senate!

"Thank you."

Senator Matsunaga rose and said:

"Mr. President, Roll Call vote, please."

Senator Hanabusa rose to speak in support and stated:

"Mr. President, I rise in support of the motion.

"Mr. President, I sat here listening to the arguments and some of them I have made myself in varying forms throughout the VEBA issue. However, there is one major difference here, Mr. President. The good Chair of Health and Human Services did in fact have a hearing on this measure and there's been much debate over this particular issue, whether it's been among ourselves, in public, with the public, with our constituents.

"I think what's being missed here, however, is the generous offer by the Chair of Health and Human Services when he rose and said he is in support of the motion with reservations. I think that makes it very clear that the Chair himself is saying this is worthy of debate for all of us as it's held over for the next session.

"So with that, Mr. President, I'm rising in support of this measure and in support of the Chair's reservation. Thank you."

The motion to recall H.B. No. 2487, H.D. 1, from the Committee on Health and Human Services was put by the Chair and, Roll Call vote having been requested, carried on the following showing of Ayes and Noes:

Ayes, 15. Noes, 10 (Bunda, Chun, Hemmings, Kanno, Kawamoto, Kim, Menor, Sakamoto, Slom, Taniguchi).

Senators Buen, Kokubun, Matsuura and Tam cast their Roll Call votes "Aye, with reservations."

The President then made the following observation:

"H.B. No. 2487, H.D. 1, has been recalled and is accordingly in possession of this body."

Senator Matsunaga moved that H.B. No. 2487, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DEATH WITH DIGNITY," pass Second Reading and be placed on the calendar for Third Reading, seconded by Senator Chumbley.

The Chair then called for the question as follows:

"All those in favor say 'Aye,' opposed 'No.' There is a division."

Senator Hemmings interjected:

"Mr. President, could we have a division of the Senate, please?"

The President then stated:

"Could we have a Roll Call vote. Mr. Clerk . . ."

At 7:51 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 7:52 o'clock p.m.

The President made the following announcement:

"The motion before us is for said bill to pass Second Reading and be placed on the calendar for Third Reading."

Senator Hemmings rose to speak against the measure and said:

"Mr. President, I rise to speak against the motion.

"Well, we're interested in democracy aren't we? Well, here's an opportunity for those of you that really want to discuss the bill to do it right now. This isn't about death with dignity. This is death by murder. The last time I checked, when one person puts another person to death, it's murder.

"I also want to quote something that was written thousands of years ago, a pledge. A pledge that good doctors give in the form of an oath. It's survived thousands of years and yet, in one fell swoop, in one short night, in the haste of the waning days of this legislative session, this legislature is considering putting it asunder. It says simply, among other things, 'And I will not give a drug that is deadly to anyone if asked [for it], nor will I suggest the way to such a counsel.'

"The chance to have this bill die right now with dignity . . . but there's nothing dignified about asking a doctor to put someone to death. If the family or some citizen wants to commit suicide, that's another issue. But there's nothing dignified about this at all.

"Now we're going to say it's going to have a lot of safeguards and we're not going to allow this to happen, we're not going to allow that to happen, and doctors can volunteer to do this and do that. And I believe that of the thousands of doctors we have in this state, most of them won't volunteer in this program. But there are the Jack Kevorkians out there that are eager to put people to death that aren't even terminal. And he's done it once, he's done it before, and a bill like this would help protect those people. And after the person has been put to death because they had a bad hair day, we'll debate it later, which will be too late.

"We know what this is all about. This isn't about death with dignity. It's about death by murder and I urge my colleagues to search your souls on this one, and after you do so, vote 'no.'"

Senator Chun rose to speak against the measure and said:

"Mr. President, I rise in opposition to the motion. I gather this motion is on the merits so I believe I can talk on the merits.

"Mr. President, this goes back to what I said earlier on the motion to recall. Now, we've heard in the motion to bring back

to the Floor that you'll have plenty of time to argue the merits of the motion. You'll have plenty of time – two whole days – to read the testimony. You have two whole days to look at the comments and to read the bill and to read whatever reports by whatever Committees did this, maybe the House ones. And now, no less than 30 seconds after the vote was taken we're being asked to vote on the merits. That's the point I was making. Rather than have an informed decision, rather than arguing that you'll have time, two whole days, if I disagree with the reasonableness of that decision.

"Now we see the real truth. And the real truth is no, you've got to vote today on the merits, whether you have the committee report or not, whether you have the testimony or not, whether you have the bill or not. I don't even have the bill in front of me today! But go ahead and vote on the merits. And by the way, you are talking about lives. And by the way, yes, these people could die. And by the way, it could have an impact on those who don't have access to medical care. It could have impact on minorities. And it could have impact on the disabled. But, you can read about it later, after you vote.

"I, Mr. President, do not make decisions based upon that kind of flippant attitude towards the rights of others, to the lives of others. Until I've had an opportunity to listen to the debate, and an opportunity to ask solid questions . . . and I would ask the proponents to be prepared. If this bill passes tomorrow I will ask you questions and how it applies to certain classes of people, and how it applies to other laws, and how it applies to other policies in this State. And if you can't come up with any answers then I will have to vote 'no' again.

"It's a shame I have to do this on the Floor because we could have easily done it, as I pointed out in the other motion, we could have done it a month ago in a more congenial environment, in a more informed environment. But this is the environment that the body has chosen. This is the environment and the forum that we will do it.

"Until I get those answers, until I have an opportunity to participate, I will vote 'no,' Mr. President."

Senator Matsuura rose to speak in opposition to the measure and said:

"Mr. President and fellow colleagues, I stand in opposition to this bill.

"Given the time and I'm pretty sure we're all going to be hit pretty hard in the next couple of days but it depends on what we do today, I will reserve comments for later, but I have written comments to be inserted into the Journal."

The Chair having so ordered, Senator Matsuura's written comments read as follows:

"Mr. President, I rise in opposition to this bill.

"Our State Motto states: 'The life of the land is perpetuated in righteousness.' There is no Dignity, no Life, and no Righteousness in this bill. This bill will hurt the most vulnerable of our people, for the sake of what? What I fear the most for our great State is that we will 'Reap what we sow.' If we sow death, we will reap death.

"Thank you."

Senator Sakamoto rose to speak against the measure and stated:

"Mr. President, I rise in opposition to the measure. I don't wish to reserve comments for later.

"Mr. President, it's a tough issue. Some of you have seen loved ones die from natural causes. Both of my parents have passed away. (Excuse me.) My dad, he died of cancer, all through here. He asked me, 'so tell me when it's time.' He was suffering. And it's not easy watching someone you love suffer. It's not easy. And they do pain management and I believe that's a good thing. He had a living will, so there was no respirator, but he could still hear. Although he suffered, he had his good times.

"But I didn't have a choice of this bill, nor would I want to. And some of you would say, 'well, Sakamoto, you don't have to choose,' but it's a very tough thing to watch someone you love suffer. To equip the people of this State with the trigger to say, as you see your loved one suffer, do you want to pull the trigger? You're going to equip the people of this State, upon having watched their loved suffer, and you may pull the trigger . . . you. They'll say to you, 'shall we pull the trigger?' And I don't think it's fair for the people of this State, no matter how suffering their loved ones are, to say it's up to you; you pull the trigger.

"That's my dad and he suffered, but they kept giving him drugs so he wasn't suffering to the point of being passed out with pain, etc., etc. My mom, she died last year. She was 93. For many years of her life she was very depressed. She took medicine and when the medicine wasn't right, she didn't want to go on. She would say, 'I don't want to talk to my friends. I don't want to eat.' She'd be lying on the couch and we could encourage her. I can see many people, if they get ill and they're depressed, people will say, 'oh it's about time, you know. Talk to the kids, make your plans, just let us know . . . and pull the trigger.' No, but we didn't do that and she'd get out of it and she'd have good days. But it's too easy when you see people who are not in good shape. It's too easy to say pull the trigger.

"And if this bill were to pass, Mr. President, we're foisting on the people of Hawaii this weapon that some of you may not want to use and some of you may want to use, but it's a bad weapon. It's a bad weapon that you're going to put in the hands of each person in this State to say you can pull the trigger on your grandpa, on your grandma, on your mother, on your father, on your wife, on your significant other, on your child when they're suffering and say it's up to you, you pull the trigger. And I think that's a terrible thing to force people to have.

"Medical knowledge can do pain management. We need to do what we can do, but it would be terrible to equip the people of this State to play with the lives of others and say suicide is here, let's do it . . . terrible."

Senator Nakata rose in support of the measure and said:

"Mr. President, I rise to speak in favor of passing this measure on Second Reading. We will have a Third Reading in which the issue can be discussed more fully.

"This is a kind of issue where even when we vote I think most of us, if not all of us, are going to have second thoughts about the decision we make two nights from now or whenever we make that decision. And that decision will also haunt us at the time when we face our own death, in the face of deaths of others who are close to us. It will always be a difficult decision.

"Two nights from now, I don't know how the vote will go. We may vote it down and then we'll face it again and again and again. It will always be a difficult decision, and I do want to

commend the Chair of Health and Human Services for, in a sense, stepping aside and letting the debate continue.

"But I would urge that we put this on the calendar for Thursday and continue the discussion. Whether we come to a decision then or not, I don't know. But the discussion, I think, will be useful to all of us.

"Thank you."

Senator Chumbley rose to speak in favor of the measure and said:

"Mr. President, I rise to speak in favor of the motion.

"Colleagues, make no mistake about it, this is probably the most significant decision you will make in your career of sitting in those chairs. This is something that's going to stick with you for a long time. It's going to affect your life; it's going to affect your family's lives, and it's going to affect a lot of lives in this State, so think long and hard about what you do.

"My father also died of cancer. When I was 20 years old, he was in the hospital and he got so sick they moved him home. My father died at home in my arms, not in his bed in his bedroom, but in a bed that we had put in the living room for him. He suffered in tremendous pain and tremendous agony. And he did not have the kind of help, the kind of medicine, the kind of things that he wanted, to end his life in a very peaceful way. And that's why I can support this bill, because it's not about me making that choice to pull the trigger for my father. It was about my father having that choice in his own life to make a decision on how he dies, not about how I pull the trigger, about how when he leaves this earth.

"Only the patient can make this decision under this bill. The wife, the children, the grandparents, no one else can make the decision – only the patient. There are tremendous protections built into this measure. I hadn't intended to go through a lengthy discussion about this tonight, but I think it's important that you understand some of these protections so that when we vote on this measure you're going to feel that this is something that's worthy of a complete debate on Thursday.

"Using much of the Oregon model, this bill includes the following requirements that will protect against the abuse of a person requesting a prescription for medication:

1. You must be an adult over 18 years old;
2. You must be a resident of the State of Hawaii;
3. You must be capable – and that is defined as being able to make and communicate health care decisions. You have to be capable yourself. No one else can make this decision for you; and
4. You have to be diagnosed with a terminal illness that will lead to death within six months.

"Those would have fit the needs of my father. When he died of cancer, he was diagnosed in six months and he died in about three months.

"If a patient meets these requirements, he or she will be eligible to request a prescription for medication from a licensed Hawaii physician so long as the additional following requirements are met:

1. The patient must make two oral requests to their physician, separated by at least 15 days between each request;
2. The patient must provide a written request to the physician witnessed by two additional individuals who are not family members, and who are not primary caregivers;
3. A patient may rescind his or her request at any time. Another choice of the patient;
4. The diagnosis and prognosis must be confirmed by the prescribing physician and a second consulting physician. Two physicians have to agree;
5. If either physician determines that the patient's judgment is impaired, the patient must be referred for a psychological examination. That's another protection;
6. The prescribing physician must inform the patient of alternatives such as pain management, palliative care, hospice, and other options that are available to the patient. They must inform the patient of those; and
7. The prescribing physician must request that the patient notify the next-of-kin of the prescription request. So my father couldn't have done this without telling my mother or at least telling me.

"As with the Oregon law, physicians must report to the state Department of Health all prescriptions for medication and all physicians and patients must adhere to the requirements of the law and are protected then from criminal prosecution.

"Additionally, the choice of legal physician-assisted dying cannot affect the status of a patient's health or life insurance policies. Physicians and health care assistants are not obligated to participate in the death with dignity law. They're not obligated to participate. If they choose to then they can.

"It's also important to note that since this law has been in effect back in 1997 in Oregon, only 91 people chose to end their lives under the provision of the act. In 1997, 91 people chose to end their life. In 1998, there were only 16 people who chose to end their life. In 1999, there were 27. In the year 2000, there were 27. In the Year 2001, there were 21. There has been no demonstrated history of a slippery slope as was referred to earlier. And there has been no Kevorkian rush in Oregon under this law, nor is there any reasonable basis to assume that we are headed towards the euthanasia scenarios in the Netherlands. That is just not the case.

"Colleagues, I want to make the choice, if I am terminally ill, how to end my life. And I think that is something that should be given to every citizen of this State. Remember, it's not you pulling the trigger; it's not you telling someone else; it's choices for yourself. That is what this measure is about.

"Please support and vote to pass this on Second Reading."

Senator Kawamoto rose to speak on the measure and said:

"Mr. President, just a slight rebuttal.

"Mr. President, how many times have we heard you've got six months? You've got six months to live. When I was on the Shintani Diet we had a guy there that said he was given six months to live. That was eight years ago. He's still living today. How many times do we have people that were given three months, five months to live that have come out of it?

Whether it was God's will or whatever have you, they came out of it, how many times have we had that?

"Mr. President, I just wonder if the Senator from Kaneohe could answer a question, the Democrat Senator."

The President posed the question and Senator Nakata having answered in the affirmative, Senator Kawamoto inquired:

"Senator, you're the closest to God that I know of. (Laughter.) Being a pastor, I want to find out if you have applications to be God, and that's what this bill is all about – making people God. So I was wondering, since you're the closest to God, was there any applications in your church that you have to be God?"

Senator Nakata answered:

"There are none."

Senator Kawamoto then said:

"Thank you very much."

Senator Nakata then said:

"Now that you've given me another opportunity at this, let me say that my attitude towards death is this – death actually can be a friend in that it tells us God didn't make us immortal. I may be preaching here and I apologize if I'm out of line on that, but we were not made immortal and I believe that it was for a reason, that reason being that knowing that death will envelope us some day, we live in such a way that we care for each other more deeply with the awareness that we are mortal. It is about relationships and I believe that death is an integral part of life. And if we can look at it in that sense, we can welcome death when our time comes. And hopefully it will be a death with a lot of dignity, time to say our good-byes and move on.

"I hope that I can live to that when my time comes. But death tells us how precious life is. We are living in a time when medical science makes it possible for the body to go on for a long time after the quality of life is gone. Most of us, as these advances take place, I believe, are going to be in the position of deciding when our physical life comes to an end. Life is a part of death and death is a part of life – it goes both ways. Looking at it that way can influence the quality of our living.

"Thank you."

Senator Inouye rose to speak in support of the measure and said:

"Mr. President, I speak in support of this measure on its merits on Second Reading.

"Mr. President and colleagues, I wasn't going to say anything but since this is a debatable issue I thought I'd share my own experience, as well. When my dad died in 1980, my mom said, fortunately at his nice age of 83, he just collapsed and that was it. So he didn't suffer.

"Since I was a single parent at that time, I moved in with my mom because I knew she would be lonely. So I cared for her, but she was very active, so it was just to keep her company. Unfortunately, at the young age of 76, 16 years ago, she was hospitalized for some unknown causes and entered the hospital and never came home.

"During the time that I spent my life with her, she always told me and said, 'I don't want to suffer. If I have an illness,

please, I don't want to be old and frail so you folks have to take care of me, because you all have your lives to go on with.' During the time she was hospitalized in Hilo I knew that there was nothing more that they could do for her, so I put her on a small emergency plane and flew with her over to Oahu. At that time, it seemed like there was nothing more that they could do for her.

"She was a feisty woman, as feisty as I am. I guess I took after her. She just couldn't live with the application of what was being done to her. She kept on removing her oxygen, her mask, and was very active though we knew that she must have been suffering. So they tied her hands against the rail and she lived through that for an additional two months, and it was very, very painful for me to see her in that situation. She bled at her wrists and I knew every time I'd visit her that she'd look at me with that stare and I knew what she was saying . . . you know, please let this be over.

"But during the time I spent there we were taken into counsel and was given some options and they told us what our options were – if we would like to put her on life support. They also showed me several patients, and until today, I still have that memory. They showed me this man who was in a room just to tell us how we need to bear all the consequences, and this man was on life support. It was going on for four years. He had a son and he had a daughter, and every day of that young man's life, he went to visit his dad . . . every day. I had to go over one day when I saw him in the chapel and I just congratulated him. He was worn out, he told me, but he said, 'but that's my dad.'

"Since then I thought, wow, this is something that the family needs to deal with. So we decided amongst ourselves that we would not put my mom on life support but let the consequences go and let her suffer. I do not want anyone to go through, or myself to go through, that ordeal.

"I looked at the bill, just glancing at it when it first came over from the House. I haven't seen the final version. But I'd like for all of us to consider that it's a choice and nothing, I believe, would be forced upon us. So I'd like to look at the bill. Unfortunately, I would say if we ended this evening with the bottle bill, we'll all be happy tonight, but it seems like we're all in a somber position.

"Mr. President, I really believe this is an opportunity for us to consider the time we're going to put in to look at the bill. Thank you, Mr. President and colleagues."

Senator Chumbley rose again and said:

"Mr. President, may I correct a previous statement I made earlier?"

"When I was quoting the numbers, colleagues, of the people who have chosen to use this law in Oregon, I may have misquoted the number. Since 1997, when the law was adopted, there has been a cumulative total of 91 people. It wasn't 91 people in 1997. In 1998 it was 16; 1999 was 27; 2000 was 27; and the year 01 was 21, for a cumulative number of 91 in the five years that Oregon has had this law.

"Thank you for that correction, Mr. President."

Senator Tam rose to speak in favor of the measure with reservations and said:

"Mr. President, I stand to vote in favor of the Second Reading with reservations.

"I've heard many of the discussions tonight and the reason I'm voting with reservations is because I don't have the bill before me. But out of respect for the Chair of the Committee on Health and Human Services, it was his desire to move this dialogue along for Second Reading and also finally for Third Reading.

"I'm not sure what the contents of the bill are, quite frankly. Everybody has a sad story, and I can feel for people. I have a sad story too. I was very close to my grandparents. My grandparents died four days apart from each other. My grandfather was bedridden for over six years. He wanted to die. At times, he was depressed. My grandmother had a bad heart. She had two leaking valves. She took care of my grandfather by herself because that's the way she wanted it.

"So basically, in terms of what the Senator from Maui was saying, let us embrace in terms of what the merits of the bill are. No disrespect to anybody, but you have to look in terms of the bill itself. And I can feel for every one of you. I don't know what the bill entails, so I'm willing to bring it forth, discuss it, be of open mind at this time.

"Thank you."

Senator English rose in opposition to the measure and said:

"Mr. President and members, I rise in opposition.

"Mr. President, when we are born, we accept death. We also accept the fact that we do not know the when, the where, and the how that we will pass. This has been the tradition for many centuries of human existence. My intellectual mind, having sat down and read this bill from page to page just now, can accept this. Intellectually, I can accept this . . . but my heart cannot.

"Mr. President, we had some discussion earlier about hanai. Well, I was hanai to my tutu, my grandparents, and raised by them. Both passed in my arms. My grandfather, Murray English, coming up on May 16 will be four years. My grandmother, Violet Soong English, passed June 17 of last year, almost one year. Mr. President, with both of them, I had a discussion very similar to this. My grandfather, a little bit different; my grandmother, a little bit different. But the essence of it was this – that we, upon accepting birth have accepted death.

"When my grandfather passed he would always say that he'll always be with us, he'll always be here and just call. In Hawaiian tradition just call his name, which I do often. My grandmother, on the morning that she passed we thought she would pass the night before. And Mr. President, that morning, very early in the morning, the sun came up and she was in her home in Hana, and she woke up and she said 'I'm still here,' and she said a prayer. She said her prayer was this – thank you God, mahalo ke akua, thank you God for this one more day. That's how precious life is.

"We're here to make some very important decisions, and this is probably one of the toughest ones for me, personally . . . because one part of me can support this and a deeper part cannot. I have to go with that deeper part because for centuries, Mr. President, we have honored the fact that we cannot control death.

"Now, the way that this is laid out, and it does not put the onus on anyone else but the person wishing to die, that has to be made clear. The Senator from Maui has laid out the conditions around this, but I would like to read from the bill. And this is the form that will have to be signed by the person wishing to

pass. It's titled, REQUEST FOR MEDICATION TO END MY LIFE IN A HUMANE AND DIGNIFIED MANNER:

"I, (insert your name), am an adult of sound mind. I am suffering from (you insert the illness), which my attending physician has determined is a terminal disease and which has been medically confirmed by a consulting physician. I have been fully informed of my diagnosis, prognosis, the nature of medication to be prescribed and potential associated risks, the expected result, and the feasible alternatives, including comfort care, hospice care, and pain control.

I request that my attending physician prescribe medication that will end my life in a humane and dignified manner.

(then it asks) INITIAL ONE:

_____ I have informed my family of my decision and taken their opinions into consideration.

_____ I have decided not to inform my family of my decision.

_____ I have no family to inform of my decision.

I understand that I have the right to rescind this request at any time.

I understand the full import of this request and I expect to die when I take the medication to be prescribed. I further understand that although most deaths occur within three hours, my death may take longer and my physician has counseled me about this possibility.

I make this request voluntarily and without reservation, and I accept full moral responsibility for my actions.

Signed: _____

Dated: _____

Then three witnesses.

"Intellectually, I can support this – my heart cannot. And that's why it's very difficult but we have to make a decision and that's one thing we have to do as elected Senators. Unlike everyone else out there, the 25 of us have a duty to vote on the information before us – no matter what the circumstances, what the conditions around it. When it comes time for a vote, we're obliged to vote.

"So I'm voting my heart and I'm voting 'no,' and I ask you to look at that, as well, to consider all of this. We've heard stories of our parents and our grandparents, those that we loved. We've also heard that this is a matter of free choice. Vote your conscience, vote your heart, because as the Senator from Maui said, this will be with you for the rest of your life.

"Thank you, Mr. President."

Senator Buen rose to speak in opposition to the measure and said:

"Mr. President, I rise in opposition of the bill.

"First of all, Mr. President, I want to thank the Chair of the Health and Human Services Committee. I'm the Vice Chair and I sat through the hearing that he held. I've heard from my constituents on Maui. They've called me. They've written letters. And many, many of them have asked me to oppose this measure. I had a few calls supporting the bill.

"I have a lot of respect for the Chair of this Committee. He has taken tremendous pressures throughout this whole Session and I have a lot of respect for the Chair.

"I, too, have personal stories to tell about my father, but I'm not going into that. I do have personal reasons to vote against the measure. More importantly, however, Mr. President, I'm listening to my constituents. I voted with reservations, voted up with reservations to bring this to the Floor so that it would give

every one of us a chance to vote our conscience and to listen to our constituents, and I'm going to be listening to my constituents.

"I'll be voting 'no' on this measure. Thank you."

Senator Taniguchi rose in opposition and said:

"Mr. President, I rise to speak in opposition to the motion.

"Mr. President, my opposition to this motion is based primarily on procedural issues and it's not indicative of my feeling on the merits of the bill. I'd just like to make that clear for the record.

"Thank you."

The motion was put by the Chair and carried, Roll Call vote having been requested, H.B. No. 2487, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DEATH WITH DIGNITY," passed Second Reading and was placed on the calendar for Third Reading on Thursday, May 2, 2002, on the following showing of Ayes and Noes:

Ayes, 13. Noes, 12 (Buen, Bunda, Chun, English, Hemmings, Kanno, Kawamoto, Matsuura, Menor, Sakamoto, Slom, Taniguchi).

Senators Hogue, Ige, Kim, Kokubun and Tam cast their Roll Call votes "Aye, with reservations."

Senator Taniguchi, Chair of the Committee on Ways and Means, requested that the referral of H.C.R. Nos. 12 and 43 to the Committee on Ways and Means be waived.

Senator Taniguchi noted:

"Mr. President, H.C.R. No. 12 is a resolution supporting the TANF reauthorization act of 2001. We had a similar Senate resolution.

"H.C.R. No. 43 relates to requesting the Department of Budget and Finance to enter into a financing agreement for a new elementary school in Kahului, Maui.

"We'd like to waive referrals so that we may expedite passage of these resolutions."

The Chair then granted the waiver.

By unanimous consent, action on H.C.R. Nos. 12 and 43 was deferred until Thursday, May 2, 2002.

Senator Matsuura, Chair of the Committee on Health and Human Services, requested that the referral of H.C.R. No. 187 to the Committee on Health and Human Services be waived.

Senator Matsuura noted:

"This is a resolution requesting the auditor to evaluate the operational efficiency and programmatic effectiveness of the state's integrated special education database system."

The Chair then granted the waiver.

By unanimous consent, action on H.C.R. No. 187 was deferred until Thursday, May 2, 2002.

At 8:37 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 8:38 o'clock p.m.

ADJOURNMENT

At 8:39 o'clock p.m., on motion by Senator English, seconded by Senator Hemmings and carried, the Senate adjourned until 10:00 o'clock a.m., Thursday, May 2, 2002.

Respectfully submitted,

Clerk of the Senate

Approved:

President of the Senate