

## THIRTY-FIRST DAY

## Tuesday, March 9, 2004

The Senate of the Twenty-Second Legislature of the State of Hawaii, Regular Session of 2004, convened at 10:06 o'clock a.m. with the President in the Chair.

The Divine Blessing was invoked by the Honorable Lorraine R. Inouye, 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 Thirtieth Day.

## HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 99 to 147) were read by the Clerk and were disposed of as follows:

Hse. Com. No. 99, transmitting H.B. No. 1747, H.D. 2, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 1747, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO UNIVERSITY PROJECTS AND PURPOSES," passed First Reading by title and was deferred.

Hse. Com. No. 100, transmitting H.B. No. 1756, H.D. 2, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 1756, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST HIGH TECHNOLOGY INDUSTRIAL ENTERPRISES," passed First Reading by title and was deferred.

Hse. Com. No. 101, transmitting H.B. No. 1778, H.D. 2, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 1778, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO WAGES," passed First Reading by title and was deferred.

Hse. Com. No. 102, transmitting H.B. No. 1784, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 1784, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAX," passed First Reading by title and was deferred.

Hse. Com. No. 103, transmitting H.B. No. 1793, H.D. 2, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 1793, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LAND EXCHANGE," passed First Reading by title and was deferred.

Hse. Com. No. 104, transmitting H.B. No. 1860, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 1860, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD ABUSE AND NEGLECT," passed First Reading by title and was deferred.

Hse. Com. No. 105, transmitting H.B. No. 1893, H.D. 2, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 1893, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed First Reading by title and was deferred.

Hse. Com. No. 106, transmitting H.B. No. 1904, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 1904, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed First Reading by title and was deferred.

Hse. Com. No. 107, transmitting H.B. No. 1908, H.D. 2, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 1908, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed First Reading by title and was deferred.

Hse. Com. No. 108, transmitting H.B. No. 1929, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 1929, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL REPAIR AND MAINTENANCE," passed First Reading by title and was deferred.

Hse. Com. No. 109, transmitting H.B. No. 1944, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 1944, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST INDUSTRIAL ENTERPRISES," passed First Reading by title and was deferred.

Hse. Com. No. 110, transmitting H.B. No. 1946, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 1946, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BEACH RESTORATION AND PROTECTION," passed First Reading by title and was deferred.

Hse. Com. No. 111, transmitting H.B. No. 2009, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2009, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AGRICULTURAL RESEARCH AND MARKET DEVELOPMENT," passed First Reading by title and was deferred.

Hse. Com. No. 112, transmitting H.B. No. 2057, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2057, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR HPOWER PLANT BOILER ADDITION," passed First Reading by title and was deferred.

Hse. Com. No. 113, transmitting H.B. No. 2092, H.D. 2, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2092, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICINE AND SURGERY," passed First Reading by title and was deferred.

Hse. Com. No. 114, transmitting H.B. No. 2093, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2093, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DENTAL PROFESSIONAL LICENSING," passed First Reading by title and was deferred.

Hse. Com. No. 115, transmitting H.B. No. 2109, H.D. 2, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2109, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO LONG-TERM CARE," passed First Reading by title and was deferred.

Hse. Com. No. 116, transmitting H.B. No. 2170, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2170, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS FOR REHABILITATION HOSPITAL OF THE PACIFIC," passed First Reading by title and was deferred.

Hse. Com. No. 117, transmitting H.B. No. 2297, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2297, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GUARDIANSHIP AND PROTECTIVE PROCEEDINGS," passed First Reading by title and was deferred.

Hse. Com. No. 118, transmitting H.B. No. 2314, H.D. 2, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2314, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL IMPACT STATEMENTS," passed First Reading by title and was deferred.

Hse. Com. No. 119, transmitting H.B. No. 2322, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2322, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST PROCESSING ENTERPRISES," passed First Reading by title and was deferred.

Hse. Com. No. 120, transmitting H.B. No. 2341, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2341, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION," passed First Reading by title and was deferred.

Hse. Com. No. 121, transmitting H.B. No. 2354, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2354, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO RISK MANAGEMENT," passed First Reading by title and was deferred.

Hse. Com. No. 122, transmitting H.B. No. 2394, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2394, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE MAINTENANCE OF PROPERTIES WITHIN THE KALAELOA COMMUNITY DEVELOPMENT DISTRICT," passed First Reading by title and was deferred.

Hse. Com. No. 123, transmitting H.B. No. 2397, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2397, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE HAWAII STATE DISASTER REVOLVING LOAN FUND," passed First Reading by title and was deferred.

Hse. Com. No. 124, transmitting H.B. No. 2446, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2446, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR

COLLECTIVE BARGAINING INCREASES," passed First Reading by title and was deferred.

Hse. Com. No. 125, transmitting H.B. No. 2463, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2463, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEES," passed First Reading by title and was deferred.

Hse. Com. No. 126, transmitting H.B. No. 2493, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2493, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NATURAL RESOURCE VIOLATIONS," passed First Reading by title and was deferred.

Hse. Com. No. 127, transmitting H.B. No. 2498, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2498, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INTERIM RULES OF THE DEPARTMENT OF LAND AND NATURAL RESOURCES," passed First Reading by title and was deferred.

Hse. Com. No. 128, transmitting H.B. No. 2523, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2523, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PASSENGER FACILITY CHARGES," passed First Reading by title and was deferred.

Hse. Com. No. 129, transmitting H.B. No. 2528, H.D. 2, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2528, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CONSERVATION LAND," passed First Reading by title and was deferred.

Hse. Com. No. 130, transmitting H.B. No. 2547, H.D. 2, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2547, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," passed First Reading by title and was deferred.

Hse. Com. No. 131, transmitting H.B. No. 2578, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2578, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST HONOLULU SEAWATER AIR CONDITIONING LLC PROJECTS ON THE ISLAND OF OAHU," passed First Reading by title and was deferred.

Hse. Com. No. 132, transmitting H.B. No. 2580, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2580, entitled: "A BILL FOR AN ACT RELATING TO STATE OFFICERS AND EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING AND MAKING APPROPRIATIONS AND OTHER ADJUSTMENTS," passed First Reading by title and was deferred.

Hse. Com. No. 133, transmitting H.B. No. 2582, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2582, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," passed First Reading by title and was deferred.

Hse. Com. No. 134, transmitting H.B. No. 2583, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2583, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," passed First Reading by title and was deferred.

Hse. Com. No. 135, transmitting H.B. No. 2584, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2584, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," passed First Reading by title and was deferred.

Hse. Com. No. 136, transmitting H.B. No. 2596, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2596, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed First Reading by title and was deferred.

Hse. Com. No. 137, transmitting H.B. No. 2739, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2739, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS BY THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION," passed First Reading by title and was deferred.

Hse. Com. No. 138, transmitting H.B. No. 2747, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2747, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed First Reading by title and was deferred.

Hse. Com. No. 139, transmitting H.B. No. 2773, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2773, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUM PROPERTY REGIMES," passed First Reading by title and was deferred.

Hse. Com. No. 140, transmitting H.B. No. 2774, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2774, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SUBDIVISIONS," passed First Reading by title and was deferred.

Hse. Com. No. 141, transmitting H.B. No. 2781, H.D. 2, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2781, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INFORMATION PRACTICES," passed First Reading by title and was deferred.

Hse. Com. No. 142, transmitting H.B. No. 2798, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2798, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PRACTICE OF PHARMACY," passed First Reading by title and was deferred.

Hse. Com. No. 143, transmitting H.B. No. 2803, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2803, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DRUG ENFORCEMENT," passed First Reading by title and was deferred.

Hse. Com. No. 144, transmitting H.B. No. 2840, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2840, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENHANCING ECONOMIC DIVERSITY," passed First Reading by title and was deferred.

Hse. Com. No. 145, transmitting H.B. No. 2849, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2849, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR ORGANIC AGRICULTURE," passed First Reading by title and was deferred.

Hse. Com. No. 146, transmitting H.B. No. 2859, H.D. 2, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2859, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE DEVELOPMENT OF AN

INTERNATIONAL EQUESTRIAN FACILITY," passed First Reading by title and was deferred.

Hse. Com. No. 147, transmitting H.B. No. 2981, H.D. 1, which passed Third Reading in the House of Representatives on March 5, 2004, was placed on file.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, H.B. No. 2981, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NURSES," passed First Reading by title and was deferred.

#### STANDING COMMITTEE REPORTS

Senator Baker, for the majority of the Committee on Health, presented a report (Stand. Com. Rep. No. 2861) recommending that H.B. No. 1797 pass Second Reading and be referred to the Committee on Commerce, Consumer Protection and Housing.

On motion by Senator Kawamoto, seconded by Senator Hogue and carried, the report of the majority of the Committee was adopted and H.B. No. 1797, entitled: "A BILL FOR AN ACT RELATING TO OPTOMETRY," passed Second Reading and was referred to the Committee on Commerce, Consumer Protection and Housing.

Senator Inouye, for the Committee on Water, Land, and Agriculture, presented a report (Stand. Com. Rep. No. 2862) recommending that S.C.R. No. 5 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 2862 and S.C.R. No. 5, entitled: "SENATE CONCURRENT RESOLUTION SUBMITTING TO THE LEGISLATURE OF THE STATE OF HAWAII FOR REVIEW OF ACTION TAKEN BY THE BOARD OF LAND AND NATURAL RESOURCES ON LAND EXCHANGES," was deferred until Thursday, March 11, 2004.

Senator Inouye, for the Committee on Water, Land, and Agriculture, presented a report (Stand. Com. Rep. No. 2863) recommending that S.C.R. No. 6 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 2863 and S.C.R. No. 6, entitled: "SENATE CONCURRENT RESOLUTION AUTHORIZING DESIGNATION OF AN INDUSTRIAL PARK," was deferred until Thursday, March 11, 2004.

Senator Inouye, for the Committee on Water, Land, and Agriculture, presented a report (Stand. Com. Rep. No. 2864) recommending that S.C.R. No. 7 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 2864 and S.C.R. No. 7, entitled: "SENATE CONCURRENT RESOLUTION AUTHORIZING THE ISSUANCE OF NON-EXCLUSIVE EASEMENT COVERING PORTION OF SUBMERGED LANDS AT SPRECKELSVILLE, WAILUKU, MAUI, HAWAII, FOR MAINTENANCE OF ROCK GROIN PURPOSES," was deferred until Thursday, March 11, 2004.

Senator Inouye, for the Committee on Water, Land, and Agriculture, presented a report (Stand. Com. Rep. No. 2865) recommending that S.C.R. No. 8 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 2865 and S.C.R. No. 8, entitled: "SENATE CONCURRENT RESOLUTION AUTHORIZING THE ISSUANCE OF NON-EXCLUSIVE EASEMENT COVERING PORTION OF SUBMERGED LANDS AT KANEOHE, KOOLAUPOKO, OAHU, HAWAII, FOR MAINTENANCE OF

BREAKWATER PURPOSES," was deferred until Thursday, March 11, 2004.

Senator Sakamoto, for the Committee on Education, presented a report (Stand. Com. Rep. No. 2866) recommending that S.C.R. No. 23 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 2866 and S.C.R. No. 23, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO DEVELOP AND REQUIRE AS PART OF THE CURRICULUM AN ELEMENTARY SCHOOL-LEVEL PHYSICAL EDUCATION PROGRAM," was deferred until Thursday, March 11, 2004.

Senator Sakamoto, for the Committee on Education, presented a report (Stand. Com. Rep. No. 2867) recommending that S.R. No. 12 be adopted.

By unanimous consent, action on Stand. Com. Rep. No. 2867 and S.R. No. 12, entitled: "SENATE RESOLUTION REQUESTING THE DEPARTMENT OF EDUCATION TO DEVELOP AND REQUIRE AS PART OF THE CURRICULUM AN ELEMENTARY SCHOOL-LEVEL PHYSICAL EDUCATION PROGRAM," was deferred until Thursday, March 11, 2004.

At 10:13 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:42 o'clock a.m.

## ORDER OF THE DAY

### THIRD READING

S.B. No. 3030, S.D. 1:

Senator Hanabusa moved that S.B. No. 3030, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Hanabusa then offered the following amendment (Floor Amendment No. 4) to S.B. No. 3030, S.D. 1:

SECTION 1. S.B. No. 3030, S.D.1 is amended by amending section 12 to read as follows:

"SECTION 12. Section 11-214, Hawaii Revised Statutes, is amended to read as follows:

~~"§11-214 Disposition of funds. (a) [All candidates who withdraw or cease to be candidates, or committees directly associated with such candidates, individuals who receive contributions but fail to file for nomination, or committees or parties which discontinue their activities covered in this subpart, shall return all residual private contributions to the donors of such contributions within four years if their identities are known, provided that if the identity of any donor is not known, or the donor cannot be found, such contribution shall escheat to the Hawaii election campaign fund or may be donated to a nonprofit organization of the candidate's choice. In the event of a death of a candidate, the candidate's committee, if any, shall return all residual private contributions to the donors of such contributions, provided that any residual contributions not returned to the donors within sixty days of the candidate's death shall escheat to the Hawaii election campaign fund or may be donated to a nonprofit organization of the candidate's choice.~~

~~(b) All residual public funds shall be returned to the Hawaii election campaign fund.~~

~~(c) Upon disposition of all residual funds, the candidate or campaign treasurer shall file a report with the commission, reporting the amounts distributed under this section and the manner of disposition.~~

~~(d) This section shall not apply to:~~

- ~~(1) Elected officials;~~
- ~~(2) Candidates who failed to be nominated or elected yet who become a candidate for nomination or election to office within four years thereafter;~~
- ~~(3) Elected officials who resign their office before the end of their term yet who file to become a candidate for reelection within four years after the end of the term from which they resigned; or~~
- ~~(4) Elected officials who do not seek reelection yet who file to become a candidate for election within four years after the end of the term from which they did not seek reelection.]~~

~~Candidates, committees, and individuals that receive contributions but fail to file a nomination for an election or an election shall return all contributions to the donors no later than the final date to file for a nomination for an election or an election. No funds from contributions may be expended for any purpose. Funds not returned to the donors shall escheat to the Hawaii election campaign fund.~~

~~(b) Candidates or committees that withdraw or cease to be candidates or committees for reasons, including death, term limits, disqualification, resignation, or other personal reasons shall return all unexpended contributions to the original donors. Unexpended funds not returned to the original donors shall escheat to the Hawaii election campaign fund within ninety days after the candidate or committee withdraws or ceases to be a candidate or committee. No funds received from any person shall be expended for any purpose other than for expenditures directly related to the candidate's or committee's activities to influence the outcome of the nomination for election or election.~~

~~(c) Candidates or committees directly associated with candidates, who:~~

- ~~(1) Are elected to office, may expend surplus funds pursuant to section 11-206 but under no circumstances shall expenditures be made from funds after four years from the date of the election for which the contributions are received; or~~
- ~~(2) Fail to be nominated or elected to office, may expend surplus funds pursuant to section 11-206 but under no circumstances shall expenditures be made from funds after ninety days from the date of the election for which the contributions are received.~~

~~Surplus funds may be expended by a candidate for the next subsequent election upon registration for the election pursuant to section 11-194.~~

~~(d) Candidates or committees upon disposition of funds under this section shall terminate candidacy as provided under section 11-213."~~

SECTION 2. S.B. No. 3030, S.D.1 is amended by amending section 18 to read as follows:

"SECTION 18. This Act shall take effect on January 1, 2010."

Senator Hanabusa moved that Floor Amendment No. 4 be adopted, seconded by Senator Chun Oakland.

Senator Hanabusa rose to speak on the amendment as follows:

"Mr. President, the floor amendment does a series of things. First of all, it places a defective date on this bill in that it permits us to continue the discussion on a major campaign spending reform measure. What it does do is it clarifies the

concept of what funds may be expended under which surplus funds may be expended under certain circumstances. For example, if you no longer run for office and choose not to seek any other office, then what the bill provides for is that within 90 days it shall be returned back to the original donors.

“In addition, if you have unexpended funds as a result of an election, it permits and continues to permit the \$4,000 maximum for those in the Senate, \$2,000 in the House, for those types of donations to various members of the community.

“Mr. President, those are the amendments and we ask that our colleagues support that.”

The motion to adopt Floor Amendment No. 4 was put by the Chair and carried.

By unanimous consent, S.B. No. 3030, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO CAMPAIGN SPENDING,” was placed on the calendar for Third Reading on Thursday, March 11, 2004.

Stand. Com. Rep. No. 2783 (S.B. No. 1362, S.D. 2):

Senator Hanabusa moved that Stand. Com. Rep. No. 2783 be adopted and S.B. No. 1362, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Hemmings then offered the following amendment (Floor Amendment No. 5) to S.B. No. 1362, S.D. 2:

SECTION 1. SB 1362 SD2 is amended by inserting the following:

“SECTION 2. Section 334-3, Hawaii Revised Statutes, is amended to read as follows:

“§334-3 Functions of department in mental health. (a) The department of health within the limits of available funds within the designated programs, shall promote and provide for the establishment and operation of a community-based mental health system responsive to the needs of persons of all ages, ethnic groups, and geographical areas of the State, reflective of an appropriate distribution of resources and services, and monitored and evaluated in terms of standards, goal attainment, and outcomes. The elements of the system shall be defined by departmental rules recognizing the need for at least the following services:

- (1) Informational and educational services to the general public and to lay and professional groups;
- (2) Collaborative and cooperative services with public and private agencies and groups for the prevention and treatment of mental or emotional disorders and substance abuse and rehabilitation of patients;
- (3) Consultation services to the judiciary, to educational institutions, and to health and welfare agencies;
- (4) Case management, outreach, and follow-up services;
- (5) Emergency crisis and noncrisis intervention services accessible to all residents[; of all service areas]
- (6) Community-based, relevant, and responsive outpatient services;
- (7) Community residential care comprising a comprehensive range of small, homelike, and appropriately staffed treatment and rehabilitation facilities;
- (8) Short-term psychiatric treatment, preferably in facilities where access to other health and medical services are readily available;
- (9) Intensive psychiatric treatment for patients in need of long-term, highly structured, or highly specialized care

and treatment under section 334-2.5, and provision of appropriate community resources;

- (10) Training programs, activities, and staffing standards for the major mental health disciplines and ancillary services; and
- (11) Rehabilitative services for hospital and community-based individuals who have experienced short- or long-term mental or emotional disorders and substance abuse.

(b) The department shall revise, refine, and develop the system to ensure optimal responsiveness to the many and varied needs of the people of the State. The development of the system shall be based on [a] an annual statewide ~~[four-year plan which is developed in response to statewide assessments of need, evaluations of services, programs, and facilities, and community expressions of needed services and programs.]~~ comprehensive integrated service plan that is the cumulative result of comprehensive integrated service area planning within each county. The statewide plan shall determine the specific content of the department of health budget for the mental health system. ~~[The plan shall be annually monitored and updated.]~~

- (c) The department shall specifically:
  - (1) Perform statewide assessments of the need for prevention, treatment, and rehabilitation services in the areas of mental or emotional disorders and substance abuse;
  - (2) Adopt rules pursuant to chapter 91 for establishing the number and boundaries of the geographical service areas for the delivery of services in the areas of mental or emotional disorders and substance abuse. ~~[Each statewide four-year plan shall include a]~~ The department shall periodically review ~~[of]~~ the effectiveness of the geographical service areas in promoting accessibility and continuity of appropriate care to all residents of that geographical area;
  - (3) ~~[Establish]~~ Appoint a service area ~~[center] administrator~~ in each ~~[geographical service area that]~~ county who shall be ~~[the focal point]~~ responsible for the development, delivery, and coordination of services in that area;
  - (4) Ensure statewide and community-based planning for the ongoing development and coordination of the service delivery system as guided by needs assessment data and performance related information;
  - (5) Establish standards and rules for psychiatric facilities and their licensing, where applicable;
  - (6) Establish standards and rules for services in the areas of mental health and substance abuse treatment, including assurances of the provision of minimum levels of accessible service to persons of all ages, ethnic groups, and geographical areas in the State;
  - (7) Ensure community involvement in determining the service delivery arrangements appropriate to each community of the State;
  - (8) Cooperate with public and private health, education, and human service groups, agencies, and institutions in establishing a coordinated system to meet the needs of persons with mental or emotional disorders and substance abuse difficulties;
  - (9) Evaluate and monitor all services in the fields of mental health and substance abuse where such services are supported fully or in part by state resources;
  - (10) Promote and conduct research, demonstration projects, and studies concerned with the nature, prevention, intervention, and consequences of mental or emotional disorders and substance abuse;
  - (11) Keep records, statistical data, and other information as may be necessary in carrying out the functions of the mental health system and this chapter;

- (12) Advocate patients' rights in all psychiatric facilities in the State and investigate any grievances submitted to the department by any patient in a psychiatric facility, except as provided in section 334E-2(d). The department shall establish rules and procedures for the purpose of this paragraph within one year after January 1, 1985, and post the rules in a conspicuous manner and accessible place;
- (13) Promote and conduct a systematic program of accountability for all services provided, funds expended, and activities carried out under its direction or support in accordance with sound business, management, and scientific principles;
- (14) Coordinate mental health resources in each [service area] county of the State by the development and presentation of [a mental health systems service plan incorporating the planning of each service area.] a comprehensive integrated service area plan developed by the service area administrator in conjunction with the service area board. The service area ~~[enter]~~ administrator and the service area board, in collaboration with private and public agencies serving their population, shall submit recommendations for the statewide ~~[four-year plan,]~~ comprehensive integrated service plan, including needs assessment, program planning, resource development, priorities for funding, monitoring, and accountability activities;
- (15) Oversee and coordinate service area programs and provide necessary administrative and technical assistance to assist service area programs in meeting their program objectives; and
- (16) Provide staffing to the state council and service area boards to assist in the performance of their functions."

SECTION 3. Section 334-10, Hawaii Revised Statutes, is amended to read as follows:

"**§334-10 State council on mental health.** (a) There is established a state council on mental health. The council shall consist of twenty-one members appointed by the governor as provided in section 26-34. In making appointments to the council, the governor shall ensure that all service area boards of the State are represented, and that a majority of the members are nonproviders of mental health or other health services, and that a majority of the members are not state employees. The number of parents of children with serious emotional disturbances shall be sufficient to provide adequate representation of such children in the deliberations of the council. The council shall be composed of residents of the State, including individuals representing:

- (1) The principal state agencies with respect to mental health, education, vocational rehabilitation, criminal justice, housing, and social services;
- (2) Public and private entities concerned with the need, planning, operation, funding, and use of mental health services and related support services;
- (3) Adults with serious mental illnesses who are receiving, or have received, mental health services;
- (4) The families of such adults or families of children with serious emotional disturbances; and
- (5) The Hawaii advisory commission on drug abuse and controlled substances who shall be a person knowledgeable about the community and the relationships between mental health, mental illness, and substance abuse.

(b) The council shall elect a chairperson from among its members. All members shall serve without compensation but shall be paid their necessary expenses in attending meetings of the council.

(c) The council shall advise the department on allocation of resources, statewide needs, and programs affecting two or more service areas. The council shall review and comment on the [state] statewide comprehensive integrated service plan and shall serve as an advocate for adults with serious mental illness, children with serious emotional disturbances, other individuals with mental illnesses or emotional problems, and individuals with combined mental illness substance abuse disorders.

(d) If the department's action is not in conformance with the council's advice, the department shall provide a written explanation of its position to the council.

(e) The council shall prepare and submit an annual report to the governor and the legislature on implementation of the [state] statewide comprehensive integrated service plan. The report presented to the legislature shall be submitted at least ten days prior to the convening of each regular session."

SECTION 4. Section 334-11, Hawaii Revised Statutes, is amended to read as follows:

"**§334-11 Service area boards.** (a) A service area board shall be established to advise each service area ~~[enter.] administrator.~~ Each board shall consist of nine members appointed by the governor, who shall serve for terms to be determined by the governor. After the initial appointees, the governor shall fill each vacancy on a board by appointing a member from a list of four persons submitted by that board, except that, if the board is unable to achieve a quorum at two consecutive meetings called for the purpose of making such a list, the list may be provided by a group of at least seven service area consumers and nonproviders of mental health services. This group shall consist of all board members willing to participate in making the list and other area consumers and nonproviders of mental health services to be selected by the service area board chairperson and service area ~~[enter chief.] administrator.~~ Any meeting called for the purpose of making the list shall be subject to part I of chapter 92. The members of the board shall be service area residents, who are consumers or nonproviders of mental health services and service area providers with a majority being non-state employees and nonproviders of mental health or other health services. Each board shall elect a chairperson from among its members. All members shall serve without compensation but shall be paid their necessary expenses in attending meetings of the board.

(b) Each service area ~~[enter] administrator~~ and board, in consultation with public and private providers, shall participate in the development of comprehensive integrated service area plans and budgets. Each board shall advise ~~[its enter] the service area administrator~~ about service area needs to prevent and treat mental or emotional disorders, combined mental illness substance abuse disorders, and persons afflicted by these disorders, and provide advice, guidance, and recommendations to both the advisory commission on drug abuse and controlled substances, section 329-2, and the state council on mental health, section 334-10, as they deem appropriate.

(c) If a ~~[enter chief's] service area administrator's~~ actions are not in conformance with the board's planning decisions, the ~~[enter chief] service area administrator~~ shall provide a written explanation to the board.""

SECTION 2. SB 1362 SD2 is amended by renumbering sections 2, 3, 4, and 5.

Senator Hemmings moved that Floor Amendment No. 5 be adopted, seconded by Senator Hogue.

Senator Hemmings rose to speak on the amendment as follows:

“Mr. President, the purpose of this Floor Amendment to S.B. No. 1362 is to make sure that the statutory language conforms with the Community Plan for Medical Health Services (a court ordered plan for development of public community mental health services in *USA v Hawaii*). The court-ordered plan requires the State to ‘Initiate changes in Hawaii law to authorize Service Area Boards to advise Service Area Administrators (SAA) regarding development of the Comprehensive Integrated Service Area Plan.’

“The structures, positions, and planning process are currently in place within the Adult Mental Health Division as a result of actions required by the federally mandated Community Plan for Mental Health Services. In other words, the department is already doing these things. The plan was ordered on January 23, 2003, and over the past year, the Adult Mental Health Division has conducted operations in conformance with this order. This proposal ensures continuing compliance with the court order and forms the legal foundation for sustainable county-based mental health planning, oversight, and service integration.

“Mr. President, parenthetically to this presentation, I would like to tell you that this is an amendment or bill that slipped through the cracks. It was originally in a form of S.B. No. 2945, passed out of Health and did not make it to the Floor for a final vote. The House did not take action on this and I think the conscientious thing for the Senate to do is to pass this amendment so that this initiative, which is concisely worded, can be in play in the House of Representatives after Final Reading on Thursday.

“Thank you, Mr. President.”

Senator Hanabusa rose to speak on a point of personal privilege and said:

“Mr. President, I think what I rise to is a point of personal privilege because I’m not speaking in opposition to the amendment but I am speaking in opposition to the process that has been utilized.

“Mr. President, S.B. No. 1362, S.D. 2, as the good Senator from Maunawili said, is a Judiciary measure. The reason this bill is a Judiciary measure and is before you is because the good Senator from Lahaina, the Chair of the Health Committee, came to me and said the Department of Health needs this measure, and we scheduled it. The Judiciary Committee scheduled it. I think it was within the last week of hearings. At no time was the good Chair of the Health Committee told by anyone in the administration that they needed this measure amended.

“Mr. President, I’d like to say that in my dealings, as the second Committee and dealing with the Health Chair, she has put in all the amendments that they have requested. She has never in any way said no to any issues of prior concurrence. And I found that the factor this has brought in its present form is an affront to our good Chair.

“That is the reason why I find myself compelled to speak on a point of personal privilege. It is not the substance. The good Chair of the Health Committee was well aware and is supportive of all measures that the Department of Health has sought. I think what the Department of Health has done is they have let this fall through the cracks and they should take responsibility for that.

“Thank you, Mr. President.”

At 10:48 o’clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 10:50 o’clock a.m.

The motion to adopt Floor Amendment No. 5 was put by the Chair and carried.

Senator Hemmings then moved that Stand. Com. Rep. No. 2783 be received and placed on file, seconded by Senator Hogue and carried.

By unanimous consent, S.B. No. 1362, S.D. 3, entitled: “A BILL FOR AN ACT RELATING TO MENTAL HEALTH,” was placed on the calendar for Third Reading on Thursday, March 11, 2004.

Stand. Com. Rep. No. 2802 (S.B. No. 2474, S.D. 2):

Senator Menor moved that Stand. Com. Rep. No. 2802 be adopted and S.B. No. 2474, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator English then offered the following amendment (Floor Amendment No. 6) to S.B. No. 2474, S.D. 2:

SECTION 1. Senate Bill No. 2474, S.D. 2, is amended by amending section 3 to read as follows:

“SECTION 3. Section 269-92, Hawaii Revised Statutes, is amended to read as follows:

“~~[(H)§269-92]~~ **Renewable portfolio standards.** Each electric utility company that sells electricity for consumption in the State shall establish a ~~[renewables]~~ renewable portfolio standard ~~[goal]~~ of:

- (1) Seven per cent of its net electricity sales by December 31, 2003;
- (2) Eight per cent of its net electricity sales by December 31, 2005; ~~[and]~~
- (3) Nine per cent of its net electricity sales by December 31, 2010[-];
- (4) Twenty per cent of its net electricity sales by December 31, 2015; and
- (5) Thirty per cent of its net electricity sales by December 31, 2020.”

SECTION 2. Senate Bill No. 2474, S.D. 2, is amended by amending section 6 to read as follows:

“SECTION 6. This Act shall take effect on July 1, 2030.”

Senator English moved that Floor Amendment No. 6 be adopted, seconded by Senator Kokubun.

Senator English rose to speak on the amendment and said:

“Mr. President, this amendment restores the percentage numbers to the renewable portfolio standards, namely, 20 percent of electricity by December 31, 2015, and 30 percent by December 31, 2020.

“It also, at the request of the CPH Chair, adds in a effective date of July 1, 2030.”

The motion to adopt Floor Amendment No. 6 was put by the Chair and carried.

Senator English then moved that Stand. Com. Rep. No. 2802 be received and placed on file, seconded by Senator Kokubun and carried.



By unanimous consent, S.B. No. 2474, S.D. 3, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," was placed on the calendar for Third Reading on Thursday, March 11, 2004.

Stand. Com. Rep. No. 2822 (S.B. No. 1206, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2822 be adopted and S.B. No. 1206, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble then offered the following amendment (Floor Amendment No. 7) to S.B. No. 1206, S.D. 1:

SECTION 1. SB 1206, S. D. 1 is amended by deleting sections 1-4.

SECTION 2. SB 1206, S. D. 1 is amended by inserting the following:

"SECTION 1. Chapter 235, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§235-. Windfall profits tax. (a) In addition to any other applicable tax imposed pursuant to this chapter, there is imposed on the distributors of petroleum products doing business in Hawaii, a windfall profits tax, that shall be applicable to profits earned from Hawaii business operations to the extent that such profits exceed twice the national industry average profit margin, as determined by the windfall profits advisory panel. The tax shall be equal to fifty per cent applied to the profits deemed to be excessive in accordance with this section.

(b) Moneys collected pursuant to this section shall be apportioned to the counties in accordance to the number of vehicles registered in each respective county. Each county shall receive such apportioned share on an annual basis.

(c) For purposes of this subsection: "Cost of goods sold" shall include the cost of raw materials, i.e. oil, plus maintenance costs and operating expenses.

"Distributors of petroleum products" shall include individuals, partnerships, limited partnerships, joint ventures, trusts, associations, corporations, S corporations, or any other entity that is engaged in the business of refining, importing, distributing gasoline and other petroleum related products to retailers.

"Gasoline retailer" shall include individuals, partnerships, limited partnerships, joint ventures, trusts, associations, corporations, S corporations, or any other entity that is engaged in the business of selling gasoline to the consuming public.

"National industry average profit margin" shall mean the average profit margin of gasoline refiners in the United States as disclosed in industry reports, Moody's Investment Service, corporate annual reports or any other industry analytical source reports.

"Profit margin" shall mean the ratio of cost of goods sold to gross sales expressed as a percentage.

(d) There is established within the office of the state consumer advocate an advisory board consisting of five individuals. The members of the board shall be appointed by the governor from a list of eligible candidates submitted by the state consumer advocate, in accordance with chapter 26-34. The members of the board shall be:

- (1) The state consumer advocate, who shall serve as its chairman;
- (2) Two unaffiliated consumers of gasoline, who shall be members of the public at large;

(3) A gasoline retailer, who shall be engaged in the business of selling gasoline to the consuming public; and

(4) A seller of gasoline, who shall be either a refiner or importer of gasoline for resale.

The members of the board shall serve without compensation but shall be reimbursed for expenses, including travel expense, actually incurred in the performance of their duties under this chapter.

(e) The chairman of the board shall establish rules and guidelines for the board including the methodology to be used to calculate industry average profit margin.

(f) The duties of the board shall include:

(1) Review and analysis of national petroleum industry sales data; and

(2) Establishing a national industry average profit margin.

(g) The board shall meet once during the fourth quarter of each year.

(h) Meetings shall be conducted in accordance with Robert's Rules of Order.

(i) A simple majority of votes shall be required for decision making purposes.

(j) The consumer advocate shall publish the advisory panel's "national industry average profit margin" determination for public review.

(k) Any distributor of petroleum products violating this part, shall be subject to the fines and penalties provided in §231-39.

SECTION 2. New statutory material is underscored.

SECTION 3. This Act, upon its approval, shall apply to taxable years beginning after December 31, 2004."

Senator Trimble moved that Floor Amendment No. 7 be adopted, seconded by Senator Slom.

Senator Trimble rose to speak on the amendment as follows:

"Mr. President, real problems merit real solutions. The people deserve nothing less. They understand a lot more than some people in this Chamber give them credit. You just can't fool all the people all the time. I know because I surveyed my constituents. I suspect that yours are every bit as akamai as mine. They know that when you have competition, consumers benefit with better products and lower prices. This is a result of allowing consumers the power of choice.

"We all remember when Adam Smith wrote in 1776 about this invisible hand leading. What we tend not to remember is the economic circumstances of his day. His writings were radical then, as they are for some of us in Hawaii today. He wrote in an era of large government and government sponsored monopolies. In fact, most of his writings dealt with the abuse of power when it went unbridled, be it exercised by government or private monopoly.

"Let us not forget that the purpose of production is consumption. When we have competitive markets, consumers benefit. Where we lack competition so that one or two firms influence price to increase their profits, a tax, a monopoly tax is being assessed. In these situations, it is government's right – no, it is government's responsibility to take a portion of this tax to use for the public good. That is what this bill does. It recognizes that oil refineries are in a position to collect this monopoly tax.

"Hawaii consumers are unhappy about the high cost of gasoline. But what makes them really mad is that they know there are many times when they are being ripped off by firms

that use their position in the marketplace to extract a monopolist tax.

“Profit is a good word. It is the return that accrues to those that take risk, that are better managers, that develop better methods of organization, and that produce better products. But those situations, more so in Hawaii because of our relative isolation, where companies want us to believe that Hawaii is different, that we are unique, and because our high cost of living, their cost of doing business is also high. The truth is that because they intentionally reduce supply below what it would be in competitive markets to collect that monopolist tax, they create the high cost of living that they so lament.

“I sense that some of you seek to make oil an election issue this year, just as you did two years ago. You could have solved the problem last year, but perhaps elections are not won by really solving this problem. We could have repealed the divorce law that you enacted some 13 years ago that has resulted in a two-cent rise in the price of gasoline, but you have not. Gas caps won’t work, and the modifications you seek to make will only make it worse.

“Of the choices that we have here today, only one works. Let us use our energy to solve the problem by defining what constitutes windfall profits and setting in place a mechanism to share in that monopolist tax that is already being assessed for Hawaii’s collective benefit. Outrageous prices that result from lack of competition is not limited to gasoline.

“Let me conclude by showing you how my constituents feel. We first start with inter-island airfare; next, utility cost; then ocean freight; and finally, gasoline. The list goes on but I think the point is made. I not presume that my oratory will sway the outcome of our vote here today, but I do humbly submit that what we should do is begin with the intellectual framework that first seeks to foster competition, and then in those situations where there are no free markets, that we use human nature for our collective benefit. To do otherwise is to expect that we, as lawmakers, can change foxes into sheepdogs.

“Thank you, Mr. President.”

Senator English rose to speak against the amendment and said:

“Mr. President, I rise to speak against the Floor Amendment.

“This amendment takes a bill that went through a hearing, went through a public hearing, through two Committees, and to the Floor, guts out the contents of that bill and inserts new language for something that has not had a public hearing, did not go through the public process, and is here.

“Now, I remember when this side of the aisle has tried to do things like this and the other side of the aisle stood up and screamed bloody murder. Well, now it’s our time to stand up and scream bloody murder, because you didn’t do the process.

“So, Mr. President, I’m objecting to this because it did not get a public hearing. This is a brand new idea going into a bill that did go through a public hearing. But I just have to point out what it is. Let us reflect on the reality of what this is. This is the Republican Caucus offering a new tax – and 50 percent of the profits is the tax on top of that on an industry. So let it not be said that only Democrats offer new taxes. The Republicans have offered a new tax here, and they’re offering a tax at 50 percent of the profits – what a huge tax that is. Even Democrats cannot support that.

“Thank you, Mr. President.”

Senator Hogue rose to speak against the amendment and stated:

“Mr. President, I rise to speak against this amendment.

“I want the good Senator from Hana to recognize that we on the other side of the aisle here have not lost our senses, that this is not a Republican Caucus position. (Laughter.) We appreciate that other things have come to the table, but I am adamantly against this proposal and I believe that others in the Caucus are as well.

“Thank you.”

Senator Hemmings rose to speak against the amendment as follows:

“Mr. President, I, likewise, rise to speak against this amendment.

“I guess the good news is that it got a smile on everybody’s face. I do want to let the Clerk know that I will be casting a ‘no’ vote against this. I made a pledge not to raise taxes and that includes this amendment.

“Thank you, Mr. President.”

Senator Slom rose to speak against the amendment and said:

“Mr. President, I rise, also, against the amendment but for the process of allowing free speech and to discuss every issue. I guess that’s what sets our Caucus apart. Most of us in this Caucus refuse to vote for any tax increases and will continue to do so today. But when we that we believe in the right of any and every individual to speak up, particularly in a public session, not behind closed doors, we put our votes and we put our process where our mouth is.

“So basically, Mr. President, that’s what this exercise was all about. We have concluded the exercise, and now we can vote democratically.

“Thank you.”

The motion to adopt Floor Amendment No. 7 was put by the Chair and failed to carry.

The motion to adopt Stand. Com. Rep. No. 2822 and pass S.B. No. 1206, S.D. 1, on Third Reading was then put by the Chair and carried, Stand. Com. Rep. No. 2822 was adopted and S.B. No. 1206, S.D. 1, 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.

At 11:03 o’clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:05 o’clock a.m.

### THIRD READING

S.B. No. 2886, S.D. 1:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 2886, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO INSURANCE,” having been read

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

Ayes, 25. Noes, none.

S.B. No. 2908, S.D. 1:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 2908, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2909, S.D. 1:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 2909, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO APPLICATIONS SEEKING GENERAL RATE INCREASES FILED BY PUBLIC UTILITIES HAVING ANNUAL GROSS REVENUES OF LESS THAN \$2,000,000," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2816, S.D. 1:

On motion by Senator Inouye, seconded by Senator Espero and carried, S.B. No. 2816, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE AGRIBUSINESS DEVELOPMENT CORPORATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2470, S.D. 1:

On motion by Senator English, seconded by Senator Ige and carried, S.B. No. 2470, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2863, S.D. 1:

On motion by Senator English, seconded by Senator Kokubun and carried, S.B. No. 2863, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY CONSERVATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2973, S.D. 1:

On motion by Senator English, seconded by Senator Inouye and carried, S.B. No. 2973, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INTERIM RULES OF THE DEPARTMENT OF LAND AND NATURAL RESOURCES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2174, S.D. 1:

On motion by Senator Kawamoto, seconded by Senator Espero and carried, S.B. No. 2174, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO YOUTH INVOLVEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

H.B. No. 1113:

On motion by Senator Kawamoto, seconded by Senator Espero and carried, H.B. No. 1113, entitled: "A BILL FOR AN ACT RELATING TO DRIVERS' LICENSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2565 (S.B. No. 2589, S.D. 1):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 2565 was adopted and S.B. No. 2589, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2566 (S.B. No. 2889):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 2566 was adopted and S.B. No. 2889, entitled: "A BILL FOR AN ACT RELATING TO DENTAL INSURANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2567 (S.B. No. 2899, S.D. 2):

On motion by Senator English, seconded by Senator Hemmings and carried, Stand. Com. Rep. No. 2567 was adopted and S.B. No. 2899, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO NURSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2568 (S.B. No. 2950, S.D. 1):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 2568 was adopted and S.B. No. 2950, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GENERIC SUBSTITUTION OF PRESCRIPTION DRUG PRODUCTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2569 (S.B. No. 3079):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 2569 was adopted and S.B. No. 3079, entitled: "A BILL FOR AN ACT RELATING TO THE PRACTICE OF PHARMACY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2571 (S.B. No. 2902, S.D. 2):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 2571 was adopted and S.B. No. 2902, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TELEMARKETING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2572 (S.B. No. 2895, S.D. 1):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 2572 was adopted and S.B. No. 2895, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PEST CONTROL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2573 (S.B. No. 3172, S.D. 1):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 2573 was adopted and S.B. No. 3172, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PEST CONTROL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2576 (S.B. No. 2061):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2576 was adopted and S.B. No. 2061, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2578 (S.B. No. 2161):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2578 was adopted and S.B. No. 2161, entitled: "A BILL FOR AN ACT RELATING TO CAREGIVER CONSENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2579 (S.B. No. 2978):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2579 was adopted and S.B. No. 2978, entitled: "A BILL FOR AN ACT RELATING TO CHILD ABUSE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2581 (S.B. No. 2377, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2581 was adopted and S.B. No. 2377, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PRIVACY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2582 (S.B. No. 2627):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2582 was adopted and S.B. No. 2627, entitled: "A BILL FOR AN ACT RELATING TO CONSIGNMENT OF ART," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2406:

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, S.B. No. 2406, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE PROCEDURE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2436:

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, S.B. No. 2436, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING OF HABITUAL VIOLENT FELONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2922, S.D. 1:

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, S.B. No. 2922, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAIIAN HOMES COMMISSION ACT, 1920, AS AMENDED," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 3113, S.D. 1:

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, S.B. No. 3113, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO VOTING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2877, S.D. 1:

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, S.B. No. 2877, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO UNCLAIMED PROPERTY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2990:

On motion by Senator Taniguchi, seconded by Senator Kokuibun and carried, S.B. No. 2990, entitled: "A BILL FOR AN ACT RELATING TO THE INTEGRATED TAX INFORMATION MANAGEMENT SYSTEMS ACQUISITION BY THE DEPARTMENT OF TAXATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2612, S.D. 1:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 2612, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MANDATORY CONTINUING EDUCATION FOR PHARMACISTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 3190, S.D. 1:

On motion by Senator Menor, seconded by Senator Baker and carried, S.B. No. 3190, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1268, S.D. 1:

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, S.B. No. 1268, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT ENFORCEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2482, S.D. 1:

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, S.B. No. 2482, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROHIBITED ACTIVITIES IN STATE OFFICES OR BUILDINGS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2647, S.D. 1:

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, S.B. No. 2647, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CORRECTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2810:

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, S.B. No. 2810, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF INFORMATION PRACTICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2842, S.D. 1:

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, S.B. No. 2842, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHAPTER 846E, HAWAII REVISED STATUTES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2848, S.D. 1:

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, S.B. No. 2848, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO OFFENSES AGAINST PUBLIC ADMINISTRATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 1271:

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, S.B. No. 1271, entitled: "A BILL FOR AN ACT RELATING TO THE DEFINITION OF SEXUAL CONDUCT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2844, S.D. 1:

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, S.B. No. 2844, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CRIME," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2623 (S.B. No. 195, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2623 was adopted and S.B. No. 195, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INFORMATION PRACTICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2625 (S.B. No. 2090, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2625 was adopted and S.B. No. 2090, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO A PRESCRIPTION DRUG REPOSITORY PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2626 (S.B. No. 2994, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Taniguchi and carried, Stand. Com. Rep. No. 2626 was adopted and S.B. No. 2994, S.D. 1, entitled: "A BILL FOR AN ACT

RELATING TO THE USE TAX,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2629 (S.B. No. 2209, S.D. 2):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 2629 was adopted and S.B. No. 2209, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO BOXING,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2630 (S.B. No. 2586, S.D. 2):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 2630 was adopted and S.B. No. 2586, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO PROFESSIONAL AND VOCATIONAL LICENSING,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2635 (S.B. No. 2128):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2635 was adopted and S.B. No. 2128, entitled: “A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST INDUSTRIAL ENTERPRISES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2636 (S.B. No. 2134):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2636 was adopted and S.B. No. 2134, entitled: “A BILL FOR AN ACT RELATING TO THE ENVIRONMENT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2637 (S.B. No. 2247, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2637 was adopted and S.B. No. 2247, S.D. 1, entitled: “A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE CONTROL OF INVASIVE SPECIES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2638 (S.B. No. 2469, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2638 was adopted and S.B. No. 2469, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR HPOWER PLANT BOILER ADDITION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2639 (S.B. No. 2949, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2639 was adopted and S.B. No. 2949, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE VOLUNTARY RESPONSE PROGRAM,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2640 (S.B. No. 2996, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2640 was adopted and S.B. No. 2996, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TAXATION OF ALTERNATIVE FUELS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2641 (S.B. No. 3092, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2641 was adopted and S.B. No. 3092, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO SOLID WASTE MANAGEMENT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2642 (S.B. No. 3153, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2642 was adopted and S.B. No. 3153, S.D. 2, entitled: “A BILL FOR AN ACT MAKING AN APPROPRIATION FOR BIOREMEDIATION RESEARCH,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2643 (S.B. No. 3162, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2643 was adopted and S.B. No. 3162, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY TECHNOLOGIES INCOME TAX CREDIT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2645 (S.B. No. 2748, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2645 was adopted and S.B. No. 2748, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO DRUG DEMAND REDUCTION ASSESSMENTS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2651 (S.B. No. 2975):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2651 was adopted and S.B. No. 2975, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PAROLING AUTHORITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2654 (S.B. No. 2992, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2654 was adopted and S.B. No. 2992, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAX ADMINISTRATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2656 (S.B. No. 3098):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2656 was adopted and S.B. No. 3098, entitled: "A BILL FOR AN ACT RELATING TO KIKALA-KEOKEA," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2659 (S.B. No. 2242, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2659 was adopted and S.B. No. 2242, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYEE STOCK OWNERSHIP PLANS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2661 (S.B. No. 2210, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2661 was adopted and S.B. No. 2210, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CONDOMINIUMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2665 (S.B. No. 2890, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2665 was adopted and S.B. No. 2890, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PATIENTS' BILL OF RIGHTS AND RESPONSIBILITIES ACT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2667 (S.B. No. 2926, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2667 was adopted and S.B. No. 2926, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING LOAN AND MORTGAGE

PROGRAMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2668 (S.B. No. 2927, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2668 was adopted and S.B. No. 2927, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO FORECLOSURES OF GOVERNMENT-ASSISTED PROPERTIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2669 (S.B. No. 2928):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2669 was adopted and S.B. No. 2928, entitled: "A BILL FOR AN ACT RELATING TO THE RENTAL HOUSING TRUST FUND ADVISORY COMMISSION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2686 (S.B. No. 2355, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2686 was adopted and S.B. No. 2355, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYEE HEALTH BENEFITS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2687 (S.B. No. 2424, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2687 was adopted and S.B. No. 2424, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO NEW CENTURY CONVERSION CHARTER SCHOOLS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2690 (S.B. No. 2873, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2690 was adopted and S.B. No. 2873, S.D. 1, 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, 25. Noes, none.

Stand. Com. Rep. No. 2692 (S.B. No. 2879, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2692 was adopted and S.B. No. 2879, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO FEDERAL TAX QUALIFICATION OF THE EMPLOYEES' RETIREMENT SYSTEM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2693 (S.B. No. 2921):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2693 was adopted and S.B. No. 2921, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR COLLECTIVE BARGAINING INCREASES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2694 (S.B. No. 2941):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2694 was adopted and S.B. No. 2941, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE STATE WORKERS' COMPENSATION PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2695 (S.B. No. 3018, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2695 was adopted and S.B. No. 3018, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PENSION AND RETIREMENT SYSTEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2697 (S.B. No. 3106, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2697 was adopted and S.B. No. 3106, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2698 (S.B. No. 3175, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2698 was adopted and S.B. No. 3175, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO FEDERAL SOCIAL SECURITY FOR PUBLIC EMPLOYEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2700 (S.B. No. 2077, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Inouye and carried, Stand. Com. Rep. No. 2700 was adopted and S.B. No. 2077, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PLANNING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2701 (S.B. No. 2269, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2701 was adopted and S.B. No. 2269, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ENTERPRISE ZONES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2702 (S.B. No. 2563, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2702 was adopted and S.B. No. 2563, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SMALL BUSINESS DEVELOPMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2705 (S.B. No. 2392, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2705 was adopted and S.B. No. 2392, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST HIGH TECHNOLOGY INDUSTRIAL ENTERPRISES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2707 (S.B. No. 2955, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2707 was adopted and S.B. No. 2955, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC MEETINGS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2710 (S.B. No. 3021, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2710 was adopted and S.B. No. 3021, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2713 (S.B. No. 2400, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2713 was adopted and S.B. No. 2400, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE KAPOHO BAY CONSERVATION DISTRICT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2714 (S.B. No. 2413, S.D. 1):



On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2714 was adopted and S.B. No. 2413, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE ENTERPRISE ZONES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2716 (S.B. No. 2441, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2716 was adopted and S.B. No. 2441, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2717 (S.B. No. 2818, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2717 was adopted and S.B. No. 2818, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL COMMODITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2718 (S.B. No. 2820):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2718 was adopted and S.B. No. 2820, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURAL LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2719 (S.B. No. 2869, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2719 was adopted and S.B. No. 2869, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE MAINTENANCE OF PROPERTIES WITHIN THE KALAELOA COMMUNITY DEVELOPMENT DISTRICT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2725 (S.B. No. 2578):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2725 was adopted and S.B. No. 2578, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS FOR REHABILITATION HOSPITAL OF THE PACIFIC," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2727 (S.B. No. 2592, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2727 was adopted and S.B. No. 2592, S.D. 2, entitled: "A BILL FOR AN ACT

MAKING AN APPROPRIATION FOR SEXUAL ASSAULT SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2728 (S.B. No. 2686, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2728 was adopted and S.B. No. 2686, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TECHNOLOGY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2731 (S.B. No. 2957, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2731 was adopted and S.B. No. 2957, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HOSPITAL AND PROFESSIONAL LIABILITY RISK FINANCING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2732 (S.B. No. 2979, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2732 was adopted and S.B. No. 2979, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SECURITY AT HAWAII HEALTH SYSTEMS CORPORATION HOSPITALS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2733 (S.B. No. 3114, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2733 was adopted and S.B. No. 3114, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO KALAUPAPA SETTLEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2734 (S.B. No. 3135, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2734 was adopted and S.B. No. 3135, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST ST. FRANCIS HEALTHCARE SYSTEM OF HAWAII AND ITS AFFILIATES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2735 (S.B. No. 3156, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2735 was adopted and S.B. No. 3156, S.D. 1, 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. 2736 (S.B. No. 2165, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2736 was adopted and S.B. No. 2165, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD ABUSE AND PROTECTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2738 (S.B. No. 2349, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2738 was adopted and S.B. No. 2349, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SOCIAL SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2740 (S.B. No. 2608, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2740 was adopted and S.B. No. 2608, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CRITICAL ACCESS HOSPITALS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2741 (S.B. No. 2621, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2741 was adopted and S.B. No. 2621, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICALLY FRAGILE CHILDREN'S TRUST FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2742 (S.B. No. 2630, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2742 was adopted and S.B. No. 2630, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FOSTER CUSTODY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2743 (S.B. No. 2929, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2743 was adopted and S.B. No. 2929, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID REIMBURSEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2744 (S.B. No. 2930, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2744 was adopted and S.B. No. 2930, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HOME AND COMMUNITY-BASED SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2745 (S.B. No. 2931, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2745 was adopted and S.B. No. 2931, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BACKGROUND CHECKS FOR PROVIDERS OF HOME AND COMMUNITY-BASED SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2747 (S.B. No. 3134, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2747 was adopted and S.B. No. 3134, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH CARE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2748 (S.B. No. 3230, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2748 was adopted and S.B. No. 3230, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EARLY CHILDHOOD CARE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2749 (S.B. No. 1060, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2749 was adopted and S.B. No. 1060, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ALTERNATIVE EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2752 (S.B. No. 2058, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2752 was adopted and S.B. No. 2058, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL REPAIR AND MAINTENANCE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2759 (S.B. No. 2175, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2759 was adopted

and S.B. No. 2175, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2762 (S.B. No. 2222, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2762 was adopted and S.B. No. 2222, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BRIDGE TO HOPE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2764 (S.B. No. 2264, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2764 was adopted and S.B. No. 2264, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE UNIVERSITY OF HAWAII FOR A MASTER'S DEGREE IN SOCIAL WORK BY DISTANCE LEARNING PROGRAM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2767 (S.B. No. 2425, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2767 was adopted and S.B. No. 2425, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2777 (S.B. No. 3013, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2777 was adopted and S.B. No. 3013, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2778 (S.B. No. 3039, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2778 was adopted and S.B. No. 3039, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMISSION FOR NATIONAL AND COMMUNITY SERVICE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2780 (S.B. No. 3112, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2780 was adopted and S.B. No. 3112, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TEACHERS," having been read throughout,

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

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2781 (S.B. No. 3148, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2781 was adopted and S.B. No. 3148, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2788 (S.B. No. 2091, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2788 was adopted and S.B. No. 2091, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INVOLUNTARY PSYCHIATRIC TREATMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2790 (S.B. No. 2358, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2790 was adopted and S.B. No. 2358, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CONSTRUCTION CLAIMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2792 (S.B. No. 2448):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2792 was adopted and S.B. No. 2448, entitled: "A BILL FOR AN ACT RELATING TO CRIME VICTIM COMPENSATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2793 (S.B. No. 2560, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2793 was adopted and S.B. No. 2560, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ECONOMIC VALUE OF ENTERTAINMENT CELEBRITY IDENTITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2794 (S.B. No. 2577, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2794 was adopted and S.B. No. 2577, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PEER REVIEW," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2796 (S.B. No. 2704):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2796 was adopted and S.B. No. 2704, entitled: "A BILL FOR AN ACT RELATING TO MANDATORY SELLER DISCLOSURES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2798 (S.B. No. 2933, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2798 was adopted and S.B. No. 2933, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD WELFARE SERVICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2799 (S.B. No. 2968, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2799 was adopted and S.B. No. 2968, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NATURAL RESOURCE VIOLATIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2800 (S.B. No. 3041, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2800 was adopted and S.B. No. 3041, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO VOLUNTARY ADMISSION FOR NONEMERGENCY TREATMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2801 (S.B. No. 2092, S.D. 2):

Senator Menor moved that Stand. Com. Rep. No. 2801 be adopted and S.B. No. 2092, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Tsutsui requested his vote be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2801 was adopted and S.B. No. 2092, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO MEDICINE AND SURGERY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2804 (S.B. No. 2670, S.D. 2):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 2804 was adopted and S.B. No. 2670, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PAIN MANAGEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2805 (S.B. No. 2897, S.D. 2):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 2805 was adopted and S.B. No. 2897, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE DENTAL EXAMINATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2806 (S.B. No. 3085, S.D. 2):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 2806 was adopted and S.B. No. 3085, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO NURSES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2807 (S.B. No. 2004, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2807 was adopted and S.B. No. 2004, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR VETERANS CEMETERIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2808 (S.B. No. 2043, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2808 was adopted and S.B. No. 2043, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE AVIATION MUSEUM OF THE PACIFIC," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2809 (S.B. No. 2045, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2809 was adopted and S.B. No. 2045, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE HAWAII CIVIL AIR PATROL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2810 (S.B. No. 2131, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2810 was adopted and S.B. No. 2131, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE DEPARTMENT OF DEFENSE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2811 (S.B. No. 2364, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2811 was adopted and S.B. No. 2364, S.D. 1, 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.

Stand. Com. Rep. No. 2813 (S.B. No. 2746, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2813 was adopted and S.B. No. 2746, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HABITUAL OPERATION OF A VEHICLE UNDER THE INFLUENCE OF AN INTOXICANT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2814 (S.B. No. 2914, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2814 was adopted and S.B. No. 2914, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL DEFENSE SIRENS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2815 (S.B. No. 2919, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2815 was adopted and S.B. No. 2919, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE MILITIA," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2821 (S.B. No. 2904, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2821 was adopted and S.B. No. 2904, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ESCROW DEPOSITORIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2824 (S.B. No. 2302, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2824 was adopted and S.B. No. 2302, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE FILIPINO CENTENNIAL CELEBRATION COMMISSION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2831 (S.B. No. 2067, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2831 was adopted

and S.B. No. 2067, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2832 (S.B. No. 2072):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2832 was adopted and S.B. No. 2072, entitled: "A BILL FOR AN ACT RELATING TO THE CENTER FOR NURSING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2835 (S.B. No. 3012, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2835 was adopted and S.B. No. 3012, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATIONAL ACCOUNTABILITY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2841 (S.B. No. 2693, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2841 was adopted and S.B. No. 2693, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FLOODS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2842 (S.B. No. 3051, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2842 was adopted and S.B. No. 3051, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2847 (S.B. No. 2385, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2847 was adopted and S.B. No. 2385, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HIV/AIDS PROGRAMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2853 (S.B. No. 2073, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2853 was adopted and S.B. No. 2073, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2854 (S.B. No. 2995, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2854 was adopted and S.B. No. 2995, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL DRIVER LICENSING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2855 (S.B. No. 3186):

Senator Taniguchi moved that Stand. Com. Rep. No. 2855 be adopted and S.B. No. 3186, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Kim rose and said:

"Mr. President, I'd like to request remarks be put into the Journal for S.B. No. 3186.

"Thank you."

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

"This bill guards against contractors who are awarded state or municipal contracts and misuse public funds on unauthorized expenditures.

"Current law does not adequately address this squander of public funds and lacks sufficient criminal penalties.

"In many cases, what is considered an acceptable expense is left up to a 'judgement call' in awarded contracts.

"In addition, if unacceptable expenses are not explicitly prohibited by a contract, the State has no legal recourse against those that engage in the misuse of funds.

"Therefore, a review by the Attorney General's office prior to the signing of a contract would ensure that public monies outside the procurement code will not be spent inappropriately.

"This oversight will prevent possible fraud and the misallocation of funds.

"Those who choose to expend funds without the authorization of the State will also be subject to criminal penalties.

"These criminal penalties will send the message that the State is serious about safeguarding our public dollars.

"Those who violate their contracts can no longer use the defense that the State or its political subdivision knew about the contractor's spending or otherwise acquiesced in the expenditure.

"As a political body, we are entrusted to spend public monies in the best interest of our constituents.

"Through this bill the State will be able effectively target and punish those who use public monies for their own gain."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2855 was adopted and S.B. No. 3186, entitled: "A BILL FOR AN ACT RELATING TO UNAUTHORIZED

EXPENDITURES OF PUBLIC FUNDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2856 (S.B. No. 2887, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2856 was adopted and S.B. No. 2887, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO INTERSTATE INSURANCE COMPACT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2857 (S.B. No. 2911, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2857 was adopted and S.B. No. 2911, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ADVISORY COMMITTEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2858 (S.B. No. 2912, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2858 was adopted and S.B. No. 2912, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CABLE TELEVISION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

**THIRD READING**

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

Senator Inouye moved that S.B. No. 2782, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator English.

Senator Trimble rose to speak in opposition to the measure and stated:

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

"My opposition is limited. I believe that it should be a comprehensive review by the legislative auditor that determines what funds will be exempted from central service and administrative fees, and because that is not done, I oppose the measure.

"Thank you."

The motion was put by the Chair and carried, S.B. No. 2782, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE FUNDING OF A HABITAT CONSERVATION PLAN," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

S.B. No. 2477, S.D. 1:

Senator Inouye moved that S.B. No. 2477, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator English.

Senator Trimble rose to speak in opposition as follows:

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

“I don’t think that it’s appropriate to codify a process that the federal government is now using but that they may not continue in the future. I do not think we should reject shipments simply based upon the fact that it has not had a pre-examination.

“Thank you.”

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

“Mr. President, I rise in support with reservations.

“I say reservations because, Mr. President, the original Committee took this bill and gutted it. Now it covers harbors, airports, military operations, and government operations, which is under the TMG Committee. So, I would like to remain as a valuable member of this Committee.

“Thank you.”

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

“Mr. President, I rise in support.

“Mr. President, this bill is actually a very good bill because what it does is helps to protect our environment from the introduction of alien species through many different venues. It follows a federal guideline that allows for inspection of materials coming from Guam. I can tell you that this is a practice that California does to Hawaii. Every time you go to California, they will search you here to see if you’re carrying an orange, which by the way probably came from California in the first place. If you’re carrying an orange or an apple or some sort of fruit, all of our shipments out – of vegetables, of flowers, of any kind of produce – going to California and to the Continental US goes through this type of inspection.

“So, we’re simply requiring the same type of inspection of items coming from Guam to protect our environment. I ask members to support the measure.

“Thank you.”

The motion was put by the Chair and carried, S.B. No. 2477, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PLANT AND NON-DOMESTIC ANIMAL QUARANTINE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

S.B. No. 2716, S.D. 1:

Senator Sakamoto moved that S.B. No. 2716, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Hooser.

Senator Hooser rose in support of the measure and said:

“Mr. President, I rise in support of S.B. No. 2716, S.D. 1. My comments also apply to S.B. No. 3125, S.D. 2, which is

essentially a companion piece of legislation and the two are linked together.

“This bill establishes a candidate advisory council for the Board of Regents of the University of Hawaii to assist the Governor in determining criteria for and identifying recruiting qualified candidates for membership on that board. It retains the Governor’s right to choose and the Senate’s right to advise and consent.

“I believe this is an important bill and a follow-up bill that takes the next step that the voters of this State took in 2000 when they approved a constitutional amendment increasing autonomy for the University of Hawaii.

“The bill was supported by the University of Hawaii Professional Assembly, representing 3,300 faculty members. It was supported by the UH Student Caucus, the Associated Students of UH Manoa, the Association of Governing Boards of Universities and Colleges based in Washington DC offered strong support. It was also endorsed by the former Republican Governor of Illinois, Jim Edgar, and the Secretary of Education of Virginia representing the Office of a Democratic Governor, Mark Warner.

“There was no testimony, to my knowledge, in any of the many hearings that happened, no testimony in opposition whatsoever. I believe that’s the case even in both the Education hearings as well as the Judiciary hearings.

“The Honolulu Advertiser recently posted an editorial just a day or two ago saying the change in the regent selection is sensible. I’ll quote from a portion of this: ‘For far too long the university and the regents have been seen as overly politicized. This has damaged the university in recruiting, in fund-raising and in many other ways. National publications often cite political meddling in university affairs as one of the major failings of our system.’

“The Association of Governing Boards of Universities and Colleges states they applaud the intention to strengthen this election process for the University of Hawaii Board of Regents through the proposed amendments in the legislation that we have before us today. They say it contains the necessary elements of an effective screening and nominating panel. They go on to say, ‘We believe very strongly that governors should have the authority and privilege of appointing public university trustees and regents, but we also believe that independent screening bodies to assist with the nominating process to identify outstanding citizens is also very important. Nonpartisan advisory and nominating committees to recruit, screen, and recommend board candidates as embodied in these bills are an important tool to ensure that the best candidates are considered for these important positions.’

“In additional testimony submitted by the Commonwealth of Virginia, ‘We commend this process to other states seeking to improve the quality of their university of their higher education board appointments.’

“The University of Hawaii Professional Assembly states, ‘This proposal will move the appointment process away from just a political appointment to the development of a concern group from the community working for the benefit in improvement of the University of Hawaii. This provides better opportunity for the education of our students.’

“Again, there was no opposition testimony in either hearing. Why? Why was there no opposition testimony at either hearing? Perhaps, Mr. President, colleagues, I would suggest

that because this is in fact a 'new beginnings' bill. This is a good government bill.

"This bill opens up the process to all in our community that are qualified. No longer will the appointments be tied purely to political connections. It is a positive step down the road to increased professionalism in the management of the university.

"Our Governor, Governor Lingle herself has said in writing that she supports genuine autonomy for the Board of Regents in running the university system.

"While there was no opposing testimony at the hearing, I'm sure there will be opposition here in this room today. The opposition in the past, and the opposition today, will offer allegations that we almost, almost, almost passed a bill that was unconstitutional. Oh my word . . . scary thoughts indeed. But I'm happy to report that that issue has been resolved, and the allegation now is used only for theatrics and bears no relevance to the fundamental policy question that is before us.

"Therefore, what will the opposition focus on? Now the outrage will focus on that we are taking power away from the executive branch, and essentially we'll be told that for 40 years you guys have been appointing your friends to these powerful positions, and by golly, now it's our turn.

"I would suggest, Mr. President, that we live in a different time today than we did 40 years ago, 30 years ago, and 20 years ago. Myself, I only came into this environment two years ago, 18 months ago. I believe there are many things that we've done for 40 years as a body that we can do differently and better in the future. I believe there is no time to start, no better time to start than now, and even more so because four years ago, again, the citizens of our State voted overwhelmingly to grant the University of Hawaii autonomy. And now this is an important next step.

"This is a genuine 'new beginning' initiative, a genuine good government policy, and maybe that's why no one showed up to testify in opposition. This bill represents good public policy, generally good public policy, and the only arguments against this bill are political arguments. Therefore, I ask our members to support this bill unanimously.

"Thank you."

Senator Hogue rose to speak in opposition to the measure and stated:

"Mr. President, I rise in opposition.

"I appreciate the arguments of the Senator from Kauai, although he has not turned them into exactly what I'm going to say, although I did bring this up in Committee.

"I think that this bill is well-intended. It is. However, in practice, I don't see that in reality it can come the way that the bill has been intended – that is to de-politicize the process. That's the intent here. It's not possible to de-politicize the process. It isn't possible at all.

"What has been brought forward in this particular bill is that the Governor is going to have six appointees. The Senate President and the House Speaker are going to have six appointees. So, by the very nature of this bill, the selection process will continue to be political. There will still be the process like we saw last year when we were talking about Board of Regent nominees where there was this tug-and-pull going on as to who is going to get their nominees forward. And

that still will occur. Gamesmanship will go on. Let's just be real about this – that's what's going to happen.

"So if we don't want to have Shelton Jim On on there, picked by the selection committee, and the Governor wants to have Shelton Jim On picked by the selection committee, that still is going to go forward. So why have this?

"Essentially, I don't find a way that you can de-politicize the process, no matter how well-intended that you are. And so, all you have done is put together this exercise, which is not necessary, which can already be done informally, that the Governor can now bring forward people to talk with and consider who he or she will nominate in the process. And we have that right to advise and consent.

"So, it's just not necessary. With those comments, I urge my colleagues to consider voting 'no.' Thank you."

Senator Hemmings rose to speak against the measure as follows:

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

"Likewise, I want to pay my respects to the good Senator from Kauai in his explanation of this and I want to agree with him wholeheartedly that this is indeed political . . . for the simple reason that it does shift the power for the appointment process from where it's been for (he's right) the last 20 years or more from the executive branch of government to the legislative branch of government. And guess what? It seems that the Party that's had the power for the last 30 years or plus in the executive branch, no longer has it. Hence, the politics. Nothing is more true than that statement. This is political machinations.

"By the way, I was advised by a very learned man on your side of the aisle not to use the word disingenuous, so I won't use it, Mr. President. (Laughter.)

"I wish we could adhere to the standard that if there is no testimony in opposition of a bill, it automatically to become law. But we know that that's not a standard used by Committee Chairs, nor are used by this Legislature. Oftentimes, bills are killed or held or not passed in spite of the fact there is no opposition to it. So, it's not a rational argument speaking in favor of this bill.

"Secondly, regarding the timing of this, why now? Well, it's political, once again. I would like to quote from the state policy brief of the Association of Governing Boards of Universities and Colleges. This has been their recommendation and their position for 20 years. It's not a new recommendation. Once again, political? Are we doing it now? The person offering this constitutional amendment in this legislation to take the power away from the executive branch of government has been in office for two years. The concepts in the brief is from September of last year and it certainly could have been utilized before that, simply because it was available.

"There's one major difference between this bill and what this policy brief says. The difference is on page 4, line 2 – the Governor shall select from among the council's recommendations. So we've indeed established by the nomination process, because the Governor has to appoint students to her selection committee, that the balance of power does shift to the Legislature.

"But what does the Association of Governing Boards of Universities and Colleges say on this process? In their brief they clearly say a governor would not necessarily be required to select from among a specific number of candidates for each



vacancy on a particular board. Ideally, however, governors consistently would respect the panels' judgements and choose each candidate from among at least three candidates for each vacancy. If a candidate for a given vacancy was unacceptable, the governor could ask the panel to provide for a new slate of candidates.

"So, the very rationale for doing this, because it's association of governing boards and universities want it, is contradicted by this bill. This bill doesn't even follow the rationale that they are saying justifies it, because this bill says the governor has no choice. Clearly in the state policy brief of September 2003, the Association of Governing Boards of Colleges recognizes a governor's right to choose as good policy.

"In the spirit of cooperation, I believe that this would be a real good bill if one word was changed – the Governor may select from among the council's recommendations. In that way it would really be a nonpartisan balanced approach. But this mandate makes it extremely political, as the goo Senator from Kauai says, and therefore I would urge that this bill be amended at the end of the day to insert the word may select or we should not vote in favor of it.

"Thank you, Mr. President."

The motion was put by the Chair and carried, S.B. No. 2716, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2244:

By unanimous consent, S.B. No. 2244, entitled: "A BILL FOR AN ACT RELATING TO RECONSTRUCTED VEHICLES," was recommitted to the Committee on Transportation, Military Affairs, and Government Operations.

Stand. Com. Rep. No. 2562 (S.B. No. 2033, S.D. 1):

Senator Kawamoto moved that Stand. Com. Rep. No. 2562 be adopted and S.B. No. 2033, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Espero.

Senator Slom rose to oppose the measure and said:

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

"Mr. President, before I speak, however, in the interest of health and safety and welfare – the last time you let me speak, someone fell down here and hurt herself – could we make sure that all safety procedures are in effect and we have helmets and belts as required?"

The President responded:

"We have the ambulance right outside waiting."

Senator Slom continued:

"Thank you very much, Mr. President, because I intend to speak a little bit more today and I didn't want to cause any problems. Thank you for your concurrence.

"I speak in opposition to this bill, S.B. No. 2033, S.D. 1, for several reasons. First of all, originally, the bill was going to be following the United States Department of Labor staffing requirements, but this bill took them out, replacing them instead with the State Department of Labor and Industrial Relations

staffing requirements. There's just one problem, Mr. President, as DLIR testified during the hearing – there are no DLIR staffing requirements. They have not been developed because the State has followed the federal guidelines.

"What the real purpose of this bill is, however, is to impose union rules on every contract, every construction contract in the State. It would require the application of those union rules, thus interfering with the private independent means of making contracts.

"Secondly, it's going to hurt, particularly, small contractors in this State, causing burdens of regulation and cost. It is also going to increase the burdens and cost for any and all nonunion contractors in the State. And finally, it's going to drive up the cost even more of construction because of mandatory use of assistants, helpers, and apprentices that are required by the union rules.

"Before, we had a two-tier system that seems to have worked properly. Now what we're trying to do is have a one size fit all and require all union rules for all contract projects in the State of Hawaii.

"I urge my colleagues to vote against this. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2562 was adopted and S.B. No. 2033, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EXPENDITURE OF PUBLIC MONEY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 1 (Baker).

Stand. Com. Rep. No. 2563 (S.B. No. 267, S.D. 2):

On motion by Senator Inouye, seconded by Senator Espero and carried, Stand. Com. Rep. No. 2563 was adopted and S.B. No. 267, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 2 (Slom, Trimble). Excused, 1 (Baker).

Stand. Com. Rep. No. 2564 (S.B. No. 2417, S.D. 2):

Senator Menor moved that Stand. Com. Rep. No. 2564 be adopted and S.B. No. 2417, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Espero.

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

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

"Solid waste is an issue. A few minutes earlier I said we should start by saying if we could make competition work. The real problem here with crushed cardboard is that it is not a commodity like it is most places in the world where people go out and actually pay for it. Let me cite one example. The last time I looked, the cost to send a 40-ft. container of crushed cardboard from New York to Manila was \$200.00. The cost of that same container from Hawaii to Manila was \$1,000.

"The issue is lack of competition. In this case, it's not gasoline, it's ocean freight. Thank you, Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2564 was adopted and S.B. No. 2417, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SOLID WASTE,"

having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Slom, Trimble, Whalen). Excused, 1 (Baker).

Stand. Com. Rep. No. 2570 (S.B. No. 3222, S.D. 2):

Senator Menor moved that Stand. Com. Rep. No. 2570 be adopted and S.B. No. 3222, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Whalen rose to oppose the measure and said:

“Mr. President, I rise in opposition.

“Briefly, coverages such as this should be optional if we want it. Personally, I don’t want to go to a naturopath person. Not that there’s anything wrong with it, but if I want that coverage, I should be able to have the option to pay for it, which already exists. This is merely another mandate that will drive up the cost of insurance for everyone for a special interest group to have mandatory coverage.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2570 was adopted and S.B. No. 3222, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen).

Stand. Com. Rep. No. 2574 (S.B. No. 3136):

On motion by Senator Menor, seconded by Senator Baker and carried, Stand. Com. Rep. No. 2574 was adopted and S.B. No. 3136, entitled: “A BILL FOR AN ACT RELATING TO HUMAN SERVICES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2575 (S.B. No. 2056, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2575 was adopted and S.B. No. 2056, S.D. 1, 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. 2577 (S.B. No. 2200):

Senator Hanabusa moved that Stand. Com. Rep. No. 2577 be adopted and S.B. No. 2200, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Trimble rose to speak in opposition to the measure and stated:

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

“I do not understand what is so difficult about rule making. We require it of other agencies. Why should the University of Hawaii and Department of Education be exempted?

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2577 was adopted and S.B. No. 2200, entitled: “A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

Stand. Com. Rep. No. 2580 (S.B. No. 2606, S.D. 1):

Senator Hanabusa moved that Stand. Com. Rep. No. 2580 be adopted and S.B. No. 2606, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

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

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

“Mr. President, it was noted in testimony that Hawaii is number two in the nation in consumption per person of beer . . . only behind Nevada, Mr. President. So, I subscribe to you that that’s a very good number but hopefully we can reach number one quite soon. And with the passage of this bill, it might happen.

“Thank you, Mr. President. Of course, drink and drive safely.”

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

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

“Mr. President, I rise in support.

“I just have to correct the previous speaker. We are actually number one for beer bought. But beer that’s consumed is Nevada because they give away more beer than Hawaii does.

“So, just to correct the record, thank you, Mr. President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2580 was adopted and S.B. No. 2606, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO BREWPUB LICENSES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2583 (S.B. No. 2405, S.D. 1):

Senator Hanabusa moved that Stand. Com. Rep. No. 2583 be adopted and S.B. No. 2405, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Hanabusa rose to speak in favor of the measure and said:

“Mr. President, I’m rising to make a disclosure under Rule 83. I live below Waimanalo Gulch and I have a personal benefit because maybe if this bill goes through, I don’t have to anticipate whales joining Tyke, the elephant, and it might not be as stink.

"I also have a fiancé who owns a unit there and I want to be sure that everyone realizes this voluntary disclosure. With that, I'd like to speak in favor of this bill.

"Mr. President, S.B. No. 2405, S.D. 1, basically tells the Department of Health that it cannot deny a permit. Mr. President, the reason why those of us on the Leeward Coast have had such a major problem with the landfill issue is because people just like to dump on us. The problem, if you really sit back and look at this and you look at how the city and county's budget operates, you know that it is all a matter of money.

"Let me share with you this year's budget of the city and county of Honolulu. Solid waste disposal alone generates \$165.9 million – 165.9. And out of that amount, only \$113 goes to the actual operational cost. The remaining amounts go everywhere else in the budget to help balance it. You're talking about a \$51 million surplus amount that goes to help them. Sewage, another related issue, generates \$132 million, of which only less than about \$70 million is used. It's big money, Mr. President.

"So, as a result of it, if everyone were to look at Section 340A-3, you would realize that what that does is it prevents the Department of Health from actually permitting any other landfill operation, any other operation that looks like it's a resource recovery facility, which includes landfills, as long as, technically, there is one in existence. And that entity that is being protected is none other than H-power. In fact, the testimony from H-power which came before us, Mr. President, was that this bill does permit other landfills as long as they're an emergency backup to what we have today.

"This measure was amended, and I see Mr. Curtis in the gallery up there and I'd like to thank him for it. Because when he testified, he brought something to our attention and we said this is the reasonable way to do this. What Mr. Curtis said is the EPA has identified what is called a sole source aquifer. And that is what we require to protect anywhere in the State. For the island of Oahu, Mr. President, it is the Pearl Harbor aquifer.

"When we amended this bill we said you can put it anywhere, but not on the sole source aquifer. And what it then does for the Department of Health is you go through the process – Department of Health, city and county of Honolulu. Any other county, you do not, do not, in any way threaten the primary water source of any community. And for this island, whether you are in Hawaii Kai or Makaha, that whole side of the island, it is the Pearl Harbor aquifer.

"This bill does what I think it should have done or what we should have done many, many years ago – and that is to protect that water source. So Mr. President, I ask that you, along with my colleagues, join me in supporting the S.D. 1 of S.B. No. 2405.

"Thank you."

Senator Kawamoto rose to speak in favor of the measure as follows:

"Mr. President, I rise in favor of this bill.

"Mr. President, I'm concerned about the Kunia landfill as proposed earlier last year. Our concern was about the sole source. And with this amendment, we're going to prevent any landfill over sole source water supply.

"Thank you, Mr. President."

Senator Ihara rose and said:

"Mr. President, please note my support of this bill with reservations."

The Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2583 was adopted and S.B. No. 2405, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SOLID WASTE DISPOSAL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2584 (S.B. No. 2440, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2584 was adopted and S.B. No. 2440, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2585 (S.B. No. 3044):

Senator Hanabusa moved that Stand. Com. Rep. No. 2585 be adopted and S.B. No. 3044, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Whalen rose to speak in opposition to the measure and stated:

"Mr. President, I rise in opposition.

"I have no problem with the intent behind the bill and I have spoken about this in my Committee. There is no definition of restricting someone's access. And to put a criminal misdemeanor penalty in there, which is heavier than many of the offenses against a person, I think we've gone way too far. For instance, it could be very reasonably argued that letting your hedges grow into the public access walkway is restricting access into that beachfront area and the homeowner now can get nailed with a misdemeanor that means up to a year in jail and a \$2,000 fine.

"I think without a definition, the penalty is much too severe for what possibly could be charged under this section."

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

"Mr. President, I rise in support.

"Mr. President, this bill deals with a very important issue for neighbor islands, and I understand the position that the previous speaker took. But I have to point out, in Maui, for example, and I'll give you some real concrete examples, in Paia in a little village called Kuau there's beach accesses through million-dollar homes – very thin little beach accesses to get down to the ocean. And what happened? Well, the utilities decided to put the pole right in the middle of the access so it doesn't block any of the million-dollar homes. Well, how do you get to the beach now? You have to crawl around a utility pole. Some of the homes in the area have decided that they'd like to put up a little gate across the public access and that's been a big problem.

"So, this would be a lot of help to Maui in particular, but I think also to most of the neighbor island areas. And I'm sure that as it moves forward, the position of the previous speaker

will be looked at carefully by the House and also in Conference. So, I ask for members to support this important measure.

“Thank you.”

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

“Mr. President, please note my reservations due to the comments from the Senator from the Big Island. I think they are well noted. I do agree that the bill is well intended, but let’s not throw the baby out with the bath water.

“Thank you, Mr. President.”

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

“Mr. President, I rise in support.

“I agree, especially on the neighbor islands, there’s a big, big problem. I, myself, a short time ago . . . my wife and I were walking down the beach, a remote beach, a place called Papaa Bay. And after a half-hour trek down the beach, standing in the sand, there’s a multi-million-dollar home just around the corner and a maintenance person comes out and tells me I have to leave the beach. I’m standing on public property. I’m standing clearly below the high-water mark. And I complained, but there was nothing much I could do besides that.

“There are numerous, numerous instances on my island where homeowners will put up gates and complaints will happen, so then the gates will be opened and then the gates close again, and then the gates are open. They’re parking cars; they’re planting bougainvillea; they’re doing all kinds of things to block what is legitimate public access. And this is a shrinking resource.

“When you talk about doing what’s right for the people of this State, preserving the lifestyle, preserving the culture, preserving the way of life is key. And for the neighbor islander especially, we’re use to being able to go fishing, go to the beach.

“I think we need to send a strong message. Perhaps clear definitions do need to be arrived at, but we need to send a very clear message to people who will keep local residents from what is rightfully theirs – access to public property.

“Thank you.”

Senators Slom and Trimble requested their votes be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2585 was adopted and S.B. No. 3044, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC PROPERTY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Whalen).

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

Senator Hanabusa moved that S.B. No. 2294, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senators Hooser, Ihara, Hogue and Trimble requested their votes be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, S.B. No. 2294, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CRIMINAL TRESPASS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2983, S.D. 2:

Senator Taniguchi moved that S.B. No. 2983, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

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

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

“Every year we have a bill like this which seemingly is just technical amendments. It is trying to conform Hawaii’s tax laws, the voluminous tax law, to the federal internal revenue code. And every year most of the changes are good and positive, but every year there seems to be one change that we never make – and that is, we never seem to catch up with the amount of deduction for a personal exemption allowed by the federal code. In Hawaii we’re about two-thirds of what the federal amount is.

“So, while I support the changes, I would hope that at some point we could get parity with America and that we would all be recognized as whole persons in the State of Hawaii.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, S.B. No. 2983, S.D. 2, 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 Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2986, S.D. 1:

Senator Taniguchi moved that S.B. No. 2986, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

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

“Mr. President, this bill is easier to stand up and oppose, and I do so.

“The consequences of this bill, in terms of changing the ceiling for remittance of withholding, is going to have heavy consequences particularly on smaller taxpayers. The original amount was \$50,000. The tax department recommended \$40,000. The Committee, with its S.D. 1, has amended that further down to \$20,000. There will be a one-year windfall to the Department of Taxation in the amount of between \$40 million and \$60 million, but this is going to be a difficult bill, especially for those small businesses who pay their own taxes and submit their own paperwork. Because after all, we’ve got businesses doing the actual tax collection, and then at their cost, they send it and remit it to the tax department.

“It also requires electronic transfer of funds to the Department of Taxation. Again, a lot of the smaller businesses

are not going to be equipped for this technologically. So, I would like to see the bill go back to the original amount. Also, electronic transfer of funds I have no problem with, as long as we have a phase-in period.

“Thank you.”

Senator Taniguchi rose to speak in favor of the measure and said:

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

“Mr. President, I just have some comments in support of this administration measure that I would like to have inserted into the Journal.”

The Chair having so ordered, Senator Taniguchi’s remarks read as follows:

“Mr. President, the purpose of this administration sponsored measure is to conform the state withholding tax remittance due date policy (for employers with an annual withholding tax liability exceeding \$40,000), to the federal ‘semi-weekly’ tax remittance due date policy.

“Mr. President, currently an employer with an annual state withholding tax liability of \$100,000 or less must remit payment on or before the 15<sup>th</sup> day of the calendar month following the month for which the taxes were withheld. This bill (as referred to your Committee on Ways and Means) conforms the state’s monthly due date for remitting Hawaii withholding tax to the federal ‘semi-weekly’ policy for employers with an annual withholding tax liability exceeding \$40,000. As such, employers will now be required to pay their employee’s withheld taxes to the Department of Taxation on or before the following Wednesday if wages were paid on the immediately preceding Wednesday, Thursday, or Friday; or on or before the following Friday if wages were paid on the immediately preceding Saturday, Sunday, Monday, or Tuesday.

“As you can see, Mr. President, by adopting this measure, the ‘float’ on state income tax withholdings will be drastically reduced by the expedited semi-weekly payment policy proposed by this bill. This is so because employers with annual withholding tax liability of more than \$40,000 will now have to remit their withholding taxes within approximately 7 days as opposed to the current state withholding tax remittance due date policy of approximately 45 days.

“Based on data provided by the department of taxation, this measure is expected to provide a one-time revenue gain of approximately \$50 million for fiscal year 2004 – 2005.

“Based on further discussions with the Department of Taxation, it was determined that an additional one-time revenue gain of \$5 million could be realized for fiscal year 2004 – 2005 if the remittance threshold amount was reduced from \$40,000 to amounts that exceed \$20,000. This lower annual withholding amount is reflected in the S.D. 1 before you today.

“Your Committee on Ways and Means also adopted the recommendation of the Department of Taxation and has lowered the electronic funds transfer threshold for withholding taxes to amounts that exceed \$20,000. Otherwise, tax payments by electronic funds transfer are only for taxpayers with an annual tax liability of at least \$100,000.

“Mr. President, I am mindful that many small business employers, banks and payroll companies, will be required to modify their accounting procedures in order to comply with the expedited ‘semi-weekly’ tax remittance due date policy

proposed in this bill. However, I note that this measure applies to state wage withholding consisting of only income taxes, whereas, employers with annual wage withholdings of \$50,000 or more are currently required to comply with the federal ‘semi-weekly’ tax remittance due date policy which includes withholding amounts for Social Security and Medicare, in addition to, income taxes. Therefore, I do not find S.B. No. 2986, S.D. 1, to be unduly burdensome. And perhaps more importantly, Mr. President, at least from our state’s fiscal perspective, the one-time infusion of approximately \$55 million in revenue for fiscal year 2004 –2005 will certainly provide your Committee on Ways and Means with an additional, and much needed, source of revenue as we proceed to craft our supplemental budget.

“I therefore urge my colleagues to support passage of S.B. No. 2986, S.D. 1.

“Thank you, Mr. President.”

Senators Ihara, Chun Oakland, Kim, Tsutsui, Aduja, Ige and Hooser requested their votes be cast “aye, with reservations,” and the Chair so ordered:

The motion was put by the Chair and carried, S.B. No. 2986, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO INCOME TAX WITHHOLDING,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen).

At 11:44 o’clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:47 o’clock a.m., with the Vice President in the Chair.

S.B. No. 3180, S.D. 1:

Senator Taniguchi moved that S.B. No. 3180, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Taniguchi rose to speak in favor of the measure and said:

“Madame President, I have some comments I’d like inserted into the Journal.”

The Chair having so ordered, Senator Taniguchi’s remarks read as follows:

“The intent of this bill is to minimize the number of positions created without legislative purview. While the number of positions involved is not great, we would like to curtail any opportunity for future abuse by executive departments. Many of these positions can and should be dealt with through the budgetary process. But, there are instances where departments can utilize non-general funds to create and fund positions. Therefore even if the funding source were reduced by the Legislature, another could be found.

“The process to comply with the provisions of this bill varies little from what the departments and the Department of Human Resource Development (DHRD) are already required to annually provide the Legislature per Section 144, of Act 253, Session Laws of Hawaii – Regular Session of 2000.

“There is some question as to the number of positions affected by this bill. In testimony provided by the Department of Human Resource Development, over 1000 positions would be covered under the original bill. In an effort to minimize the so-called burden on DHRD to comply with the requirements of this bill, our Committee left blank the percentage level found in the bill and has deleted the requirement comparing salaries to the private sector.

“Our Committee also amended this bill to include a provision for funding source reporting requirements, and the inclusion of temporarily assigned or loaned positions to the list of positions covered in this bill.

“In conclusion, the Governor stated in her state-of-the-state addresses that she would streamline government and reduce or eliminate patronage, yet the number of deputy director positions and special assistant positions are beginning to exceed the number of positions filled during the previous administration. This bill will allow for easier identification of those positions created by the administration without legislative authority and provide the Legislature an opportunity to review and analyze these positions in an effort to determine whether they meet certain standards and are functional.”

Senator Slom rose to oppose the measure and said:

“Madame President, I rise in opposition to this bill.

“I guess it looks like there’s a pattern that we’re going to be visiting today, but this seems to be another bill that takes power away and discretion and flexibility away from the executive branch in terms of making their decisions on their deputies. Anything that they do still has to face full scrutiny from the Department of Personnel and also from the Legislature as well. But there are several of these bills, including this one, which kind of short circuit that process and not allow the executive to make the decisions.

“So, I urge a ‘no’ vote on this. Thank you.”

The motion was put by the Chair and carried, S.B. No. 3180, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO EXECUTIVE DEPARTMENTS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2207, S.D. 1:

By unanimous consent, action on S.B. No. 2207, S.D. 1, was deferred to the end of the calendar.

S.B. No. 2296, S.D. 1:

Senator Menor moved that S.B. No. 2296, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Whalen rose to speak in opposition to the measure and stated:

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

“I know there’s a defective date in there so no one needs to jump up and remind me of that, but still the problem is the testimony was clear in the hearing that the neighbor islands have absolutely no continuing education classes at all. In fact, on Oahu there are none at this time. The testimony that came out was that for Oahu they should be able to get it up and

running once they’ve worked with the community colleges, but there’s not input at all from the neighbor islands.

“If we were to put a defective date in it, I could go along with it, but it’s not really defective in length. I believe the date is either the end of this year or the next. At this point, to force, especially with the airlines as expensive as it is now and with it as difficult as it is to get flights, to have this hanging over the neighbor island plumbers, I don’t think we should do it until the mechanism is there on the neighbor islands for these guys to get their education first and then we can impose this requirement if that’s what they want.

“I think we’re putting the cart in front of the horse, and hopefully, the good Senator from Kauai, with all of his rah-rah for neighbor island Senators or neighbor island folks will go along with me on this. (Laughter.)

“Thank you.”

Senator Hooser rose with reservations and said:

“I rise with rah-rah reservations.” (Laughter.)

The Chair so ordered.

The motion was put by the Chair and carried, S.B. No. 2296, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO ELECTRICIANS AND PLUMBERS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen).

S.B. No. 2530, S.D. 1:

Senator Menor moved that S.B. No. 2530, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Hogue rose to speak in opposition as follows:

“Madame President, I rise in opposition to this particular measure.

“Colleagues, this essentially is a turf war that is going on in the field of public accountancy. As this measure moved forward, which has to do with whether or no you will count years of experience in government accounting service towards a CPA license, the Hawaii CPAs were in opposition to this. The Board of Accountancy was in support of it. So you can see that there’s this little turf war going on.

“What they did was a few years ago they changed the requirements to get your CPA license and counted government service and then the Board of Accountancy would review each of those applications. Well, now they’ve come back and they’ve said, ‘Well, sometimes we gave the applications, we allowed it, and sometimes we didn’t. And so, because we’re having a little bit of difficulty in deciding whether or not that government service qualifies as a public accountant, we just don’t want to do it anymore. So we’re just going to change the law back to the way that it was.’

“Well, that doesn’t do any good to those people who are in the field of government accounting. It also doesn’t do any good to the Department of Taxation, which tries to recruit the best applicants out of college to be involved in the Department of Taxation. If we all of a sudden change the law back, the

Department of Taxation will not be able to recruit the best applicants because those years of service will not count.

“So, I urge my colleagues to give a jaundiced eye to this backsliding which is going on here – let them fight it out amongst themselves because we all know that those accountants love to fight – and not move forward with this particular bill.

“Thank you, Madame President.”

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

“Madame President, I rise in support with reservations.

“Similar to the previous speaker, I believe that there are many professionals who work in government – be they accountants, engineers, architects, or other trades – and it really depends on what they do, not where they work. And I believe working under a certified or licensed professional should be the criteria as opposed to which seat they sit in and who pays them.”

Senator Espero rose and said:

“Madame President, please show my support with reservations also.”

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

The motion was put by the Chair and carried, S.B. No. 2530, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC ACCOUNTANCY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 3062, S.D. 1:

Senator Menor moved that S.B. No. 3062, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kawamoto.

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

“Madame President, I rise in opposition to this bill.

“I am in general opposition to the idea of impact fees forcing the developers to provide for infrastructure over and above the development itself – and we’re talking about schools, highways, and other developments as may be added.

“We have a situation here where this is additional money going to the DOE, which is not accounted for in the DOE budget. And it gives the DOE more power in terms of collecting and assessing fees. But the most interesting feature about this bill is that originally the idea was to make more specific the fees collected and match them with the project or the area in which the fees were collected. The S.D. 1 takes that specificity out of the bill so that it’s just basically the fees that can be collected.

“So, I oppose the bill. Thank you.”

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

“Madame President, I’d like to rise in support of this measure.

“As you know, and as we all know, there’s much growth and development throughout our islands – Central Oahu, West Oahu, our neighbor islands. Because of our low interest rates, we’ve got a lot of homes being built and unfortunately the infrastructure is not keeping up, and the responsibility of the infrastructure is government and the developers as well.

“So, this will allow us to collect impact fees for schools, for road improvements so that our residents do have everything that they need in these new developments which are having significant impact on the surrounding communities.

“Thank you, Madame President.”

At 11:55 o’clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:56 o’clock a.m.

The motion was put by the Chair and carried, S.B. No. 3062, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO IMPACT FEES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

S.B. No. 2170, S.D. 1:

Senator Hanabusa moved that S.B. No. 2170, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Slom rose to speak in opposition as follows:

“Madame President, I rise in very strong opposition to this bill.

“This is a really bad bill. This is a bill that seeks to chop away at the second amendment further by requiring long-arms and firearms right now that are currently exempt from registration, in fact, to be registered in order to get ammunition. So, it is, in my humble opinion, a thinly veiled attempt at control, fuller control of firearms from lawful, law-abiding citizens.

“Thank you.”

The motion was put by the Chair and carried, S.B. No. 2170, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO FIREARMS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen).

S.B. No. 2846, S.D. 1:

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, S.B. No. 2846, S.D. 1, entitled: “A BILL FOR AN ACT PROPOSING AMENDMENTS TO ARTICLE I, SECTION 14, OF THE HAWAII CONSTITUTION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 3009, S.D. 1:

Senator Hanabusa moved that S.B. No. 3009, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

At 11:58 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:59 o'clock a.m.

The motion was put by the Chair and carried, S.B. No. 3009, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF INFORMATION PRACTICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2843, S.D. 1:

Senator Hanabusa moved that S.B. No. 2843, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Hogue rose to speak in favor of the measure and said

"Madame President, I rise in favor of this particular measure.

"Colleagues, this constitutional amendment would allow us to implement a version of Megan's Law for Hawaii. It is absolutely a step in the right direction. Such a law would give the public the right to access registration information regarding people convicted of sexual offenses or crimes against children.

"So, I am very glad that this is going forward, and I urge all my colleagues to vote 'yes.' Thank you."

The motion was put by the Chair and carried, S.B. No. 2843, S.D. 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE I OF THE CONSTITUTION OF THE STATE OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 2447, S.D. 1:

Senator Hanabusa moved that S.B. No. 2447, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Hogue rose to speak in favor of the measure with reservations as follows:

"Madame President, I rise to speak in favor of this bill with reservations.

"Essentially, we've talked a lot about ice. We've spent a lot of time talking about it here in the Legislature. We've talked about it in our communities. The Lt. Governor had a drug summit. So, things have gone forward.

"Unfortunately, in this particular measure, two very important ideas were not put forward – 'Walk and Talk,' 'Knock and Talk.' These are two very important measures which need to be discussed to help law enforcement with this very, very problematical situation that is occurring in all of our communities. It's bad on the Windward side; it's bad on the Leeward Coast; it's bad everywhere in Hawaii. It would help the law enforcement community to have these measures at least discussed all the way through this particular Session.

"So, I'm disappointed that they're not moving forward, and that is my reservation. Thank you, Madame President."

Senator Hooser rose to speak in opposition to the measure and stated:

"Madame President, I rise in opposition.

"There are lots of different bills we're dealing with this Legislative Session in attempting to deal with the important issue of drug abuse in our community. We have other law enforcement issues and I support law enforcement in their efforts, but I do have some serious concerns about this bill.

"The description simply says updates wiretapping statutes. I believe it goes a lot deeper than that. As others have commented on other bills in the past, conforming to the federal statutes is not always, in my opinion, a good thing.

"There were several groups testifying in opposition to this, and I also feel compelled to rise and speak to give those groups a voice. One such group is the Japanese American Citizens League founded in 1929. The League is the nation's oldest and largest Asian/Pacific American civil rights organization made up of over 20,000 members across the US and Japan. Their testimony says 'do not allow the citizens of this State to fall into the traps that are inherent in similar types of legislation that has developed on the national level with the passage of the Patriot Act and other such legislation.'

"Another individual, Jean Ohta, says 'current procedures require a court-appointed attorney represent privacy interests in court when police request a wiretap. These procedures might be inconvenient, but necessary to prevent abuse and to prevent invasion of privacy to ensure that probable cause exists. The current procedures also maintain wiretapping as a tool of last resort. It should not be easy to invade citizen privacy.'

"Other testimony submitted by the American Civil Liberties Union says the ACLU opposes this bill. There's been a lot of talk this Session, too, about constitutionality of a wide variety of bills, but they state clearly that these bills clearly violate the State Constitution and/or tinker with the constitution by amendment. We are concerned about the clear violation of the right to privacy and the blatant attempt through these measures to violate established constitutional protections for those accused convicted of a crime. The public defender submitted three complex pages citing six or more very specific concerns about this legislation.

"For those reasons and on general principle of the erosion of our civil liberties and privacy rights, I'll be voting in opposition."

Senators Slom, Tsutsui, Taniguchi, Ihara and Kanno requested their votes be cast "aye, with reservations," and the Chair so ordered:

The motion was put by the Chair and carried, S.B. No. 2447, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CRIME REDUCTION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Hooser).

S.B. No. 2512, S.D. 1:

By unanimous consent, S.B. No. 2512, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," was



recommitted to the Committee on Judiciary and Hawaiian Affairs.

At 12:05 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:19 o'clock p.m.

S.B. No. 2851, S.D. 1:

Senator Hanabusa moved that S.B. No. 2851, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

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

"Madame President, I rise to speak in opposition.

"I rise in opposition because the last time around, there was no discussion on the Floor in this Chamber on the constitutional amendment seeking to take away a fundamental right. The public discussion on constitutional amendments is an essential and necessary part of our process. In the aftermath of 9/11, the law enforcement community sought to take from you one of your most basic rights.

"I'm reminded of a couple of statements by two of our founding fathers. James Madison, who literally helped pen the Constitution, the Federalist Papers and the Bill of Rights, besides serving as our fourth President, noted: 'The people never give up freedom except under some delusion.' And to paraphrase Ben Franklin, they either give up essential freedom to obtain a temporary safety in with neither liberty nor safety.

"We are asking the people to voluntarily give up one of their most important safeguards against the abuse of power by an overzealous prosecutor. The freedom that you are being asked to relinquish is your right to have those that would testify against you, give their statements live in front of a grand jury or a judge before you can be forced to defend yourself against a serious criminal charge.

"To put this in perspective, the Constitution of the United States sets out powers of the federal government, and those that were not specifically given to them are reserved for the states. Our individual rights as citizens, however, are added by the first eight amendments to the constitution. Half of these amendments specifically deal with the rights of the accused. The fifth amendment protects you against life or limb by providing that before you can be brought to trial, a jury of your peers must review the evidence to ensure the prosecution was neither malicious, nor spiteful, nor based upon personal prejudice. Those that are in the minority, which in Hawaii are all of us, appreciate freedom most.

"The State of Hawaii provided for similar safeguards 150 years later when its constitution was adopted, making it the newest constitution of any of the 50 states. Its authors were aware of the failings of the grand jury system, just as I was when I debated the topic as a high school senior. The problem was and still is that the alternatives are worse.

"I agree that we can improve our courts. I agree we need to insure that crime doesn't pay. We could do this by ensuring that there was no early release of career criminals. I'm willing to devote much of our state resources to see that this doesn't happen. But I do not think that it is neither prudent nor necessary to improve the efficiency of our legal system at the expense of their liberty.

"The rights of the minority must never be capriciously subject to the tyranny of the majority and we should never allow too much power to be concentrated in the hands of a few people. Let our discussion begin so that an informed public voluntarily concedes or adamantly rejects the deletion of their freedom.

"Thank you."

Senator Aduja requested her vote be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, S.B. No. 2851, S.D. 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO ARTICLE I OF THE CONSTITUTION OF THE STATE OF HAWAII," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 5 (Baker, English, Hooser, Kanno, Trimble). Excused, 2 (Ihara, Menor).

S.B. No. 2856, S.D. 1:

Senator Hanabusa moved that S.B. No. 2856, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Kanno rose in opposition and said:

"Madame Vice President, I will be voting 'no' on this measure and the next measure.

"Thank you."

The motion was put by the Chair and carried, S.B. No. 2856, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE TORT LIABILITY ACT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 1 (Kanno). Excused, 3 (Hooser, Ihara, Menor).

S.B. No. 2858:

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, S.B. No. 2858, entitled: "A BILL FOR AN ACT RELATING TO TORT ACTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 1 (Kanno). Excused, 3 (Hooser, Ihara, Menor).

S.B. No. 2861, S.D. 1:

Senator Hanabusa moved that S.B. No. 2861, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senators Kanno, Trimble and English requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, S.B. No. 2861, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL PROCEDURE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Hooser, Ihara, Menor).

At 1:26 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:28 o'clock p.m.

S.B. No. 3185, S.D. 1:

Senator Hanabusa moved that S.B. No. 3185, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Trimble rose to oppose the measure and said:

"Madame President, I rise to speak in opposition.

"People have a right not to like their government. I never expected that when I was elected that people would love me. Civil disobedience is at the foundation of our country and I believe that a person can express this right in many different forms and manners. I think it is inappropriate to have a law that is based upon the actions of one individual, and I don't feel that we should dignify that or history should dignify that by this one individual, knowing that he had a law named after him.

"Thank you, Madame President."

The motion was put by the Chair and carried, S.B. No. 3185, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INFORMATION PRACTICES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 1 (Trimble). Excused, 4 (Ige, Ihara, Menor, Taniguchi).

Stand. Com. Rep. No. 2622 (S.B. No. 183, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2622 was adopted and S.B. No. 183, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Ihara, Menor, Taniguchi).

Stand. Com. Rep. No. 2624 (S.B. No. 2023, S.D. 2):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2624 was adopted and S.B. No. 2023, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO DRIVER LICENSING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 1 (English). Excused, 3 (Ihara, Menor, Taniguchi).

Stand. Com. Rep. No. 2627 (S.B. No. 3017, S.D. 1):

Senator Hanabusa moved that Stand. Com. Rep. No. 2627 be adopted and S.B. No. 3017, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Hogue rose to speak against the measure as follows:

"Madame President, I rise to speak against this measure.

"Members, this is a classic case of another turf war. This one is going on within the police department. If we pass this particular measure, essentially what we are doing is we are interfering with the collective bargaining process. Some of the rights that officers were not able to get in their collective bargaining process they now want to get them by us passing a law. I don't think that we should be interfering with this particular process.

"There was tremendous opposition from within the police department to this particular measure. So I think that we should have them resolve their dispute within themselves, not get involved at this particular time, and not open the floodgates. So, I encourage all of you to think about this one and I also encourage you to vote 'no.'

"Thank you."

Senator Baker rose and said:

"Madame President, would you please note my reservations."

The Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2627 was adopted and S.B. No. 3017, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LAW ENFORCEMENT OFFICERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen). Excused, 2 (Ihara, Menor).

Stand. Com. Rep. No. 2628 (S.B. No. 3125, S.D. 2):

Senator Hanabusa moved that Stand. Com. Rep. No. 2628 be adopted and S.B. No. 3125, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

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

"Madame President, once again, I rise in opposition to this particular measure.

"As I remarked earlier, this bill is not warranted. It is not necessary. It just adds another layer to the process and there is no way that we can depoliticize this particular issue.

"If, however, you feel inclined that you must go ahead and vote 'yes' and allow the people to decide this, then I would encourage you to allow the people to decide on the larger issue of our public education system and whether or not we should break up that.

"So, as you vote for this, think about the other. Thank you so much."

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

"Mr. President, I rise in support, and I'd like my remarks from S.B. No. 2716, S.D. 1, inserted into the record on this bill also (the Chair so ordered), and just restate that this represents good public policy for the University of Hawaii and the people of our State.

"I encourage my colleagues to vote in support."

The Chair having so ordered, Senator Hooser's remarks from S.B. No. 2716, S.D. 1, read as follows:

"I rise in support of S.B. No. 2716, S.D. 1. My comments also apply to S.B. No. 3125, S.D. 2, which is essentially a companion piece of legislation and the two are linked together.

"This bill establishes a candidate advisory council for the Board of Regents of the University of Hawaii to assist the Governor in determining criteria for and identifying recruiting qualified candidates for membership on that board. It retains the Governor's right to choose and the Senate's right to advise and consent.

"I believe this is an important bill and a follow-up bill that takes the next step that the voters of this State took in 2000 when they approved a constitutional amendment increasing autonomy for the University of Hawaii.

"The bill was supported by the University of Hawaii Professional Assembly, representing 3,300 faculty members. It was supported by the UH Student Caucus, the Associated Students of UH Manoa, the Association of Governing Boards of Universities and Colleges based in Washington DC offered strong support. It was also endorsed by the former Republican Governor of Illinois, Jim Edgar, and the Secretary of Education of Virginia representing the Office of a Democratic Governor, Mark Warner.

"There was no testimony, to my knowledge, in any of the many hearings that happened, no testimony in opposition whatsoever. I believe that's the case even in both the Education hearings as well as the Judiciary hearings.

"The Honolulu Advertiser recently posted an editorial just a day or two ago saying the change in the regent selection is sensible. I'll quote from a portion of this: 'For far too long the university and the regents have been seen as overly politicized. This has damaged the university in recruiting, in fund-raising and in many other ways. National publications often cite political meddling in university affairs as one of the major failings of our system.'

"The Association of Governing Boards of Universities and Colleges states they applaud the intention to strengthen this election process for the University of Hawaii Board of Regents through the proposed amendments in the legislation that we have before us today. They say it contains the necessary elements of an effective screening and nominating panel. They go on to say, 'We believe very strongly that governors should have the authority and privilege of appointing public university trustees and regents, but we also believe that independent screening bodies to assist with the nominating process to identify outstanding citizens is also very important. Nonpartisan advisory and nominating committees to recruit, screen, and recommend board candidates as embodied in these bills are an important tool to ensure that the best candidates are considered for these important positions.'

"In additional testimony submitted by the Commonwealth of Virginia, 'We commend this process to other states seeking to improve the quality of their university of their higher education board appointments.'

"The University of Hawaii Professional Assembly states, 'This proposal will move the appointment process away from just a political appointment to the development of a concern group from the community working for the benefit in improvement of the University of Hawaii. This provides better opportunity for the education of our students.'

"Again, there was no opposition testimony in either hearing. Why? Why was there no opposition testimony at either hearing? Perhaps, Mr. President, colleagues, I would suggest that because this is in fact a 'new beginnings' bill. This is a good government bill.

"This bill opens up the process to all in our community that are qualified. No longer will the appointments be tied purely to political connections. It is a positive step down the road to increased professionalism in the management of the university.

"Our Governor, Governor Lingle herself has said in writing that she supports genuine autonomy for the Board of Regents in running the university system.

"While there was no opposing testimony at the hearing, I'm sure there will be opposition here in this room today. The opposition in the past, and the opposition today, will offer allegations that we almost, almost, almost passed a bill that was unconstitutional. Oh my word . . . scary thoughts indeed. But I'm happy to report that that issue has been resolved, and the allegation now is used only for theatrics and bears no relevance to the fundamental policy question that is before us.

"Therefore, what will the opposition focus on? Now the outrage will focus on that we are taking power away from the executive branch, and essentially we'll be told that for 40 years you guys have been appointing your friends to these powerful positions, and by golly, now it's our turn.

"I would suggest, Mr. President, that we live in a different time today than we did 40 years ago, 30 years ago, and 20 years ago. Myself, I only came into this environment two years ago, 18 months ago. I believe there are many things that we've done for 40 years as a body that we can do differently and better in the future. I believe there is no time to start, no better time to start than now, and even more so because four years ago, again, the citizens of our State voted overwhelmingly to grant the University of Hawaii autonomy. And now this is an important next step.

"This is a genuine 'new beginning' initiative, a genuine good government policy, and maybe that's why no one showed up to testify in opposition. This bill represents good public policy, generally good public policy, and the only arguments against this bill are political arguments. Therefore, I ask our members to support this bill unanimously.

"Thank you."

At 1:32 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:34 o'clock p.m.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2628 was adopted and S.B. No. 3125, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Sлом, Trimble). Excused, 1 (Menor).

Stand. Com. Rep. No. 2631 (S.B. No. 2682, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2631 be adopted and S.B. No. 2682, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Espero.

Senator Slom rose to speak in opposition to the measure and stated:

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

“Very quickly, I am all for energy efficiency. What I am all opposed to is mandating, and we’re mandating that all new construction have these solar panels. I remember a couple of years ago we tried to mandate that government buildings, schools, and other public buildings be mandated to have panels, and after the bill passed, it was vetoed by the former administration as being too costly.

“We can’t even set the model ourselves in government, and I think it’s too costly to require it. I think we should encourage it.

“Thank you.”

Senator Hooser rose in support of the measure and said:

“Madame President, I rise in support of this bill.

“This bill is a good bill. It’s a forward-thinking bill. It’s a win/win for everyone. It’s the right thing to do.

“This bill would immediately create 700 new jobs, significantly expanding and developing the solar panel manufacturing and installation industry in Hawaii. The bill would prevent the purchase and burning of nearly 20,000 barrels of oil, costing half-a-million dollars annually. Instead of being shipped offshore, these dollars will stay in Hawaii and be re-circulated.

“The savings grow cumulatively. At the end of 10 years, the annual savings will equal 400,000 barrels of oil and over \$11 million annually. The bill will immediately save the average homeowners approximately \$25 net per month and considerably more in the future as energy costs continue to rise. The bill results in annual reductions of tons and tons and tons of pollutants.

“The bill supports the goal of energy security as it immediately will result in an additional annual cushion of the state oil capacity in every year it grows. The bill further saves consumers money as it provides additional capacity for electrical generators, delaying the cost to invest in a new power generation.

“For these and many other reasons, I encourage my colleagues to vote in support.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2631 was adopted and S.B. No. 2682, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO ENERGY EFFICIENCY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2632 (S.B. No. 2903, S.D. 2):

Senator Baker moved that Stand. Com. Rep. No. 2632 be adopted and S.B. No. 2903, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Espero.

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

“Madame President, I rise in opposition to this measure which was originally presented to protect consumers.

“I found that the testimony that there was no evidence presented that consumers, immigrants did not know how to get their money safely back to their own country and that the one that testified in favor would actually make more money if there was new regulation. I also find it curious that people actually believe that people that need to move their money, that got their ill-gotten gains would use these people, therefore, I’m voting in opposition.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2632 was adopted and S.B. No. 2903, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO REGISTRATION OF MONEY TRANSMITTERS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Trimble). Excused, 2 (Bunda, Menor).

Stand. Com. Rep. No. 2633 (S.B. No. 2498, S.D. 2):

On motion by Senator Kawamoto, seconded by Senator Espero and carried, Stand. Com. Rep. No. 2633 was adopted and S.B. No. 2498, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO GOVERNMENT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hogue, Slom, Trimble). Excused, 2 (Bunda, Menor).

Stand. Com. Rep. No. 2634 (S.B. No. 2080, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2634 was adopted and S.B. No. 2080, S.D. 1, 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, 22. Noes, none. Excused, 3 (Bunda, Ige, Menor).

Stand. Com. Rep. No. 2644 (S.B. No. 3207, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2644 be adopted and S.B. No. 3207, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Hemmings rose to speak against the measure as follows:

“Madame President, I speak against S.B. No. 3207.

“I will proceed very briefly. This is a noble effort. Unfortunately, it’s going to extend the life of fossil fuels and therefore does not make long-term economic nor environmental sense.

“Thank you, Madame President.”

Senator English rose in support of the measure and said:

“I rise in support.

“Well, to the previous speaker, there you go again. We’ve discussed this in Committee and the idea that this is antiquated is not quite true. In fact, it helps on many fronts, especially in keeping our open lands in open land production, because it uses cane and the byproduct of cane to produce ethanol.

“So, this is a good bill and it also was a compromise bill which the State Tax Department and the proponents of the bill worked on and came together with. So, it has the support of the administration to move forward.

“I ask my colleagues to support this measure, to support what it does, and rest assured that we will look at the emerging technologies as it becomes more mature.

“Thank you.”

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

“I rise in support. I urge my colleagues to vote in support of this bill.

“On Kauai, the district that I represent, ethanol represents great hope for the sugar industry. Our one surviving sugar industry is investing a lot of money, a lot of time, and a lot of energy in the various ethanol projects. This technology represents an opportunity to extend the life of agriculture in Kauai, and I urge your support.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2644 was adopted and S.B. No. 3207, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO ETHANOL TAX CREDIT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hemmings, Hogue, Slom). Excused, 2 (Ige, Menor).

Stand. Com. Rep. No. 2646 (S.B. No. 2758, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2646 be adopted and S.B. No. 2758, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Whalen rose to oppose the measure and said:

“Madame President, I rise in opposition to this bill.

“Although our intention often is directed in a good way to preserve and protect our public lands, this one goes too far, I believe, in an effort to protect one of the five purposes for ceded lands. If you notice, in the bill it prohibits us from exchanging land. One of the purposes is for hospitals and public schools, and there are times when the land that would be appropriate, for instance, for a school, especially on the neighbor islands as our areas grow, it might not be public and the landowner is willing to exchange it.

“Well, this bill would prevent us from doing what we should do, as good stewards of this public land, to accomplish one of the five purposes that is listed in our state constitution for those public lands. I think we are inappropriately tying our hands and our ability to effectively administer these lands. For those reasons, I’m voting ‘no.’”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2646 was adopted and S.B. No. 2758, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO CEDED LANDS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen).

Stand. Com. Rep. No. 2647 (S.B. No. 2763):

Senator Taniguchi moved that Stand. Com. Rep. No. 2647 be adopted and S.B. No. 2763, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose to speak in opposition as follows:

“I rise in opposition to the bill.

“We talked about judicial salaries several years ago. We’re now talking about raising them again. The difference here is there’s a blank amount and we don’t know what the amount is going to be but we believe it’s going to be substantial. I think that it is incumbent upon us whenever we’re voting on any compensation bills that we know exactly what the cost is.

“Thank you.”

Senator Kanno rose and said:

“Please note my reservations.”

The Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2647 was adopted and S.B. No. 2763, entitled: “A BILL FOR AN ACT RELATING TO JUDICIAL SALARIES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2648 (S.B. No. 2834, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2648 be adopted and S.B. No. 2834, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

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

“Madame President, I rise to support the bill with reservations.

“Every year we have claims against the state, and every year as the Legislature goes on, the claims continue to increase. So, we have a moving target. Right now, the last information that I had here was that there were 29 claims totaling \$6.4 million.

“Now, most of the claims I think are legitimate claims, but there are some very spurious claims, and I’d like to see this administration, as I urged the previous administration, to get serious about separating out these claims and not making the state redact the taxpayers patsy for anybody that wants to sue deep pockets.

“So, strong reservations. Thank you, Madame President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2648 was adopted and S.B. No. 2834, S.D. 2, entitled: “A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CLAIMS AGAINST THE STATE, ITS OFFICERS, OR ITS EMPLOYEES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2649 (S.B. No. 2840, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2649 was adopted and S.B. No. 2840, S.D. 2, 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, 22. Noes, 3 (Slom, Trimble, Whalen).

Stand. Com. Rep. No. 2650 (S.B. No. 2841, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2650 be adopted and S.B. No. 2841, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose to speak in opposition as follows:

"Madame President, I stand in opposition to this.

"This bill creates a new \$20 permit and fee. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2650 was adopted and S.B. No. 2841, S.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, 22. Noes, 3 (Hemmings, Slom, Trimble).

Stand. Com. Rep. No. 2652 (S.B. No. 2976, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2652 was adopted and S.B. No. 2976, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION FOR THE DEPARTMENT OF PUBLIC SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2653 (S.B. No. 2989, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2653 be adopted and S.B. No. 2989, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

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

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

"I believe that the bill is too broad in its application and is going to set up penalties for people that simply try to provide assistance in the continuing difficulties with tax preparation.

"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, Stand. Com. Rep. No. 2653 was adopted and S.B. No. 2989, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TAX ADMINISTRATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2655 (S.B. No. 3069, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2655 be adopted and S.B. No. 3069, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose to speak in opposition as follows:

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

"I think we're all concerned about the management of the Capitol for a number of different reasons. We do have to honestly take into consideration security of the building, but as we have discussed in Committee, we certainly will not support any means that will keep the people from this building or restrict them in their daily business.

"At the same time, as I said, we have continuing problems and we haven't shown solutions to several of these problems from the time of construction. But on the other hand, we don't know that a legislative management committee has any additional expertise or can do a better job.

"Madame President, I know that your great concern is getting an additional parking pass and I'm sure that we can sit down and work out a way so you can get two parking passes and still allow the executive to manage this building.

"Thank you."

Senator Ihara rose to speak in favor of the measure with reservations and stated:

"Madame President, I am in favor of this bill with reservations.

"My reservation is that I believe the committee that would govern and manage the State Capitol building should not be composed entirely of Legislators. Instead, I favor a committee that is equally balanced between the executive branch and the legislative branch because both of these branches use this building. But I do believe that this bill moves in the right direction.

"Thank you."

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

"Madame Chair, I have comments in support of this bill.

"Also, I think we will take into consideration some of the comments that the Senator from Kapahulu has made on this bill.

"Thank you."

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

"Mr. President, I rise to speak in favor of S.B. No. 3069, S.D. 2.

"Mr. President, the purpose of this measure is to transfer exclusive management of the entire State Capitol building and grounds, including parking facilities, to the Joint Legislative Management Committee.

"I support this measure because it seeks to address many issues concerning the management of our State Capitol building. Concerns about public accessibility, such as the availability of parking and access to the building itself, have been expressed by the public and have not always been addressed satisfactorily. Furthermore, because the Legislature

conducts its business in this building, we, the Legislature, should have a more meaningful and responsible role to play in operational and managerial decisions that affect the security of our staff and public alike. By transferring management of the State Capitol building and grounds, including our parking facilities, to a Joint Legislative Management Committee, we hope to provide a greater degree of accountability to the public and more democracy in the management of this wonderful building.

“For these reasons, I urge my colleagues to support passage of S.B. No. 3069, S.D. 2.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2655 was adopted and S.B. No. 3069, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE STATE CAPITOL,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2657 (S.B. No. 3104, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2657 be adopted and S.B. No. 3104, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose to oppose the measure and said:

“Madame President, I rise in opposition to this bill.

“I realize that this bill, as it’s currently drafted, applies to only those running for office in the State House of Representatives, however, we have had past bills and continue to have discussion about ultimately total public funding of all elections.

“First of all, I’m opposed to that. I don’t think that just taking the taxpayer’s money makes for a cleaner or better election. What does make for better elections is transparency.

“Secondarily, I don’t think that the taxpayers who are already overburdened need to take on the burden of funding public elections further. We do have an election check off. We do have public funding of candidates who voluntarily comply with certain rules and regulations. But the direction of eliminating private funding or limiting the amounts besides its constitutional first amendment questions I think poses additional greater questions, and because this bill can very easily be amended again to include Senate races as well, I stand opposed.

“Thank you.”

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

“Madame President, I rise in opposition to this bill.

“Madame President, there are not too many things the executive director of campaign spending agrees with me or I agree with him, but this one we agree on. This is a bad bill.

“This bill is the son of the former clean election bills. If you look very closely, you will see, instead of dirty money, dirty politics, you’ll see public funding for that. I disagree with this bill as far as funding is concerned because you’re going to have people that may not get public funding because of the amount of money that’s going to be spent on the people that come out

early in the part of the elections. The public funding I believe is for people to be used by all concerns and all those who want to run for office, and if you give some and leave some out, there’ll be problems with this bill.

“Therefore, Madame President, I urge my colleagues to vote ‘no’ on this bill.”

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

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2657 was adopted and S.B. No. 3104, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO ELECTIONS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2658 (S.B. No. 3198, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2658 be adopted and S.B. No. 3198, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Kawamoto rose to speak in opposition as follows:

“Madame President, just a short comment. I rise in opposition to this bill.

“I believe that the campaign spending, the funds that go into it and the funds that are being used, creates the image of bounty hunting and I believe, like we’ve had in the past, that all the monies that we collect under fines and violations, the funds should be going to the general fund. The reason for that is if the campaign spending executive director loses, we have to pay through the general fund to claims against the state. Therefore, I think more so we should have the funds go into the general fund versus going to campaign spending.

“I believe that this is the proper way of doing things and if we collect money, it should be going to the general fund; if we expend money, it would be claims against the state.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2658 was adopted and S.B. No. 3198, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO ELECTIONS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Kawamoto).

Stand. Com. Rep. No. 2660 (S.B. No. 2105, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2660 be adopted and S.B. No. 2105, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose to speak in opposition to the measure and stated:

“Madame President, I rise in opposition to the measure.

“This bill or a bill similar to it has been bouncing around for a number of years. We certainly want to resolve complaints. I think that the problem here, though, is the complaints are now going to be kicked to the State Department of Commerce and Consumer Affairs. I don’t think DCCA wanted the complaints to go there. I don’t think they’re qualified or competent in

terms of staffing to settle those problems. And I think we had a mechanism already with the Real Estate Commission to take care of this through mediation and other means.

“So, my main objection is that we’re pushing it on the State. Thank you.”

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

“Madame President, I’d like to rise in support of this measure.

“As was stated, for many, many years homeowners of condominiums, as well as people within the condominium management industry have been looking at a way to improve their condominium dispute resolution process. Unfortunately, over the years not a lot has happened, even within DCCA and the Real Estate Commission. So, we have this measure before us where we have talked to all parties involved – the homeowners, property management companies, board of directors, attorneys – and this is an effort to assist the 100,000-plus condominium homeowners in this State to assist the hundreds of thousands of residents who will benefit from this measure, which includes mediation, a hearings officer within DCCA, and judicial review if necessary.

“So, I urge all of my colleagues to support this measure which will benefit a large segment of our population. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2660 was adopted and S.B. No. 2105, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO CONDOMINIUM MANAGEMENT DISPUTE RESOLUTION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2662 (S.B. No. 2528, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2662 be adopted and S.B. No. 2528, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Sakamoto rose for a conflict ruling and said:

“Madame President, I would like to declare a potential conflict. My company does hurricane and security shutters.”

The Chair ruled that Senator Sakamoto was not in conflict.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2662 was adopted and S.B. No. 2528, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO INSURANCE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2663 (S.B. No. 2595, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2663 be adopted and S.B. No. 2595, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to oppose the measure and said:

“Madame President, I rise in opposition to this measure.

“Again we have another group that is coming before us seeking to have the state certify and license them. I recall on more than one occasion reading the reports of the legislative auditor suggesting that we already license and certified too many different groups and that in the long run it leads to less competition and higher prices.

“Therefore, I’m voting ‘no.’ Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2663 was adopted and S.B. No. 2595, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO PROFESSIONAL COUNSELORS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 4 (Hemmings, Slom, Trimble, Whalen).

Stand. Com. Rep. No. 2664 (S.B. No. 2839, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2664 be adopted and S.B. No. 2839, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

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

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

“On its face it would appear that this is a good consumer bill to protect the consumer from charitable solicitors, and by putting it in another department it would protect the consumers further. Actually, what it does is protect consumers from smaller charitable solicitors, probably giving more power and monopoly powers to larger charitable solicitors.

“In addition to that, it raises the fees from \$50 to \$250 currently, and creates special funds. So, I’ll be voting ‘no.’

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2664 was adopted and S.B. No. 2839, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO SOLICITATION OF FUNDS FOR CHARITABLE PURPOSES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2666 (S.B. No. 2906, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2666 be adopted and S.B. No. 2906, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose in support with reservations and stated:

“Madame President, I rise in support of the bill with reservations.

“This was a dynamite bill. It was a very positive bill. It was an opportunity for the taxpayers and business people to save money. The head of DCCA had looked around and said, here we put business people through all these hoops to make sure that they comply with all of the laws, the rules, the regulations, the taxes, and everything else, and then we make them pay for a certificate of good standing to show that they’ve done all this. And he said we really don’t need the money to do that. It is something that we should, if they’re going to do all of the hoops and everything else, that it should be reward enough that



they've done it and we should give them the certificate. He testified it didn't cost anything more. It was not a drain.

"And so, the bill that originally eliminated the fee completely was changed in Committee and reduced to a \$10 fee. I question why we need the fee when the head of the department says we don't need the fee, when there was no testimony for the fee, and it was a step in the right direction.

"So, I support the idea, but I guess some of us just can't get use to the idea that we can actually reduce taxes or fees.

"Thank you."

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

"Madame President, I'm standing in support, I guess, just in rebuttal to the previous speaker.

"I think there was some testimony from the DCCA director that there were some computer costs that could be attributed to this, so that's the reason why we left it at \$10.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2666 was adopted and S.B. No. 2906, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CERTIFICATES OF GOOD STANDING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2670 (S.B. No. 3049, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2670 be adopted and S.B. No. 3049, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to speak with reservations and said:

"Madame President, I rise with reservations.

"Yes, it makes it easier for small nonprofits to raise money. I'm concerned, however, about the safeguards that might be available provided for the donor.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2670 was adopted and S.B. No. 3049, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CHARITABLE ANNUITIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2671 (S.B. No. 1302, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2671 be adopted and S.B. No. 1302, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose to speak in opposition to the measure and stated:

"Madame Chair, I rise in opposition to all of the bills enumerated – S.B. No. 1302 through S.B. No. 2552. I rise in opposition as a matter of principle.

"A couple of years ago, this Legislature wisely passed civil service and collective bargaining reform. And one of the hallmarks of that bill was to do away with the binding arbitration. And the arguments that were made then are still sound arguments today – that it is a win/win situation for the public bargaining unions, it is a lose/lose situation for that taxpayers in that every instance of collective bargaining, binding arbitration that we've had in the past 10 years has resulted in a significant higher increase in compensation by the unions. So basically, there's no incentive. In fact there's a disincentive for them to bargain. What they really want to do is go immediately to binding arbitration and for good reason, and we're watching as these costs continue to escalate.

"So, we're saying that the decision that was made two years ago was a correct one. The decision that was made in Special Session last year to undo that decision was an incorrect one. The argument, the debate that we had for quite a bit of time in both houses, it was a sound debate, will stand on the record of what has happened. And as a statement, as a general statement, we are going to oppose these collective bargaining arrangements today, all except the one that comes next, which is the fire fighters because we had supported police and fire fighters specifically. But all of these others are a manifestation of a failed policy which is going to have dire financial consequences for all of us in the future.

"So I urge my colleagues to join me in a 'no' vote on these particular bills. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2671 was adopted and S.B. No. 1302, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2672 (S.B. No. 2541, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2672 was adopted and S.B. No. 2541, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS FOR PUBLIC EMPLOYEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2673 (S.B. No. 2542, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2673 was adopted and S.B. No. 2542, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS FOR PUBLIC EMPLOYEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2674 (S.B. No. 2543, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2674 was adopted and S.B. No. 2543, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS FOR PUBLIC EMPLOYEES,"

having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2675 (S.B. No. 2544, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2675 was adopted and S.B. No. 2544, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS FOR PUBLIC EMPLOYEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2676 (S.B. No. 2545, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2676 was adopted and S.B. No. 2545, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS FOR PUBLIC EMPLOYEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2677 (S.B. No. 2546, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2677 was adopted and S.B. No. 2546, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS FOR PUBLIC EMPLOYEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2678 (S.B. No. 2547, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2678 was adopted and S.B. No. 2547, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS FOR PUBLIC EMPLOYEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2679 (S.B. No. 2548, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2679 was adopted and S.B. No. 2548, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS FOR PUBLIC EMPLOYEES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2680 (S.B. No. 2549, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2680 was adopted and S.B. No. 2549, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE

BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2681 (S.B. No. 2550):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2681 was adopted and S.B. No. 2550, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2682 (S.B. No. 2551):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2682 was adopted and S.B. No. 2551, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2683 (S.B. No. 2552, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2683 was adopted and S.B. No. 2552, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2684 (S.B. No. 2554):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2684 was adopted and S.B. No. 2554, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2685 (S.B. No. 2556):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2685 was adopted and S.B. No. 2556, entitled: "A BILL FOR AN ACT RELATING TO STATE OFFICERS AND EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING AND MAKING APPROPRIATIONS AND OTHER ADJUSTMENTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2688 (S.B. No. 2593):

Senator Taniguchi moved that Stand. Com. Rep. No. 2688 be adopted and S.B. No. 2593, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to oppose the measure and said:

“Madame President, I rise in opposition.

“No evidence was supported that a change is needed. No evidence was supported that the current system didn’t work and to tack on an additional process will add significantly to time and expense.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2688 was adopted and S.B. No. 2593, entitled: “A BILL FOR AN ACT RELATING TO INDEBTEDNESS TO THE GOVERNMENT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2689 (S.B. No. 2718, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2689 was adopted and S.B. No. 2718, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE COMPENSATION OF OFFICIALS IN THE LEGISLATIVE SERVICE AGENCIES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2691 (S.B. No. 2878, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2691 be adopted and S.B. No. 2878, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

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

“Madame President, I rise in opposition.

“This costs \$400,000. It is for 20 people. In Ways and Means it was suggested that they were all or almost entirely at the University of Hawaii. I suggest that it’s only appropriate that if it need be funded it come directly out of the University of Hawaii’s budget.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2691 was adopted and S.B. No. 2878, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE FEDERAL TAX LIMIT ON COMPENSATION APPLICABLE TO THE EMPLOYEES’ RETIREMENT SYSTEM,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2696 (S.B. No. 3019, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2696 be adopted and S.B. No. 3019, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose to speak in opposition to the measure and stated:

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

“While we certainly support additional compensation for police officers, unit 12, and for the collective bargaining process, this bill sets a very bad precedent. What it does is interfere with that collective bargaining process and provides for a tax credit for increased healthcare costs, which is always a negotiated benefit and which is one that’s under discussion right now. As a matter of fact, we have a cement concrete strike going on and the whole issue is about the healthcare benefits and who pays even a portion of it.

“If we pass this bill, why will not the other public bargaining units come before the Legislature and ask for additional money for that too? And why won’t the private sector come too? Except for the small businesses that foot the bill for most of the healthcare costs, nobody comes to our aid. Nobody comes to look at the prepaid healthcare act, which is really the basis for why we’re having all of these substantial increases in the first place.

“So, while we can certainly support our law enforcement officers, we cannot support this interference with collective bargaining.”

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

“Madame President, I rise in support.

“I’d like to say that the men and women that serve in the police department statewide I think deserve special recognition for the work they do in our community. They risk their lives on a daily basis. We read and hear and personally know of police officers who have died in the line of duty. There’s an enormous debt that we owe these men and women that serve in our police departments, and I, for one, would like to vote in support and acknowledge that by approving this bill.

“In addition, statewide there’s a perpetual shortage of police officers, and we are constantly out recruiting and trying to find new officers. I think this measure does both. It acknowledges the good work they do in our community, and unlike any other worker in government, I believe that they put their life on the line on a regular basis. It acknowledges that as well as it provides additional incentive for recruiting new officers.

“So I encourage my colleagues to vote in support.”

Senator Whalen rose to speak in opposition to the measure and stated:

“Madame President, I rise in opposition.

“The last speaker gave us some reasons why we should vote for it, and I think that’s the very reasons why we shouldn’t, because I just saw something on the news the other day that the highway guys that clean up the roads, that paint the lines, their lives are in danger even more so with people whipping by. They deserve this. Teacher recruitment was a thing. Teachers were constantly in shortage. We’re always talking about recruiting new teachers. They deserve it for that very same reason.

“A little while ago I voted with this body to support collective bargaining, and if we’re going to support collective bargaining, we tie the hands of one party when we statutorily put things, take it off the table, and put it someplace else so it’s

not an item that can be discussed. And that's what we're doing with this item right here. I think it's a step in the wrong direction, and the very arguments that were used recently to support it are exactly the reasons why we shouldn't do it. Because every single public worker can come in here and show how unique and special they are and why we should do it for them as well. Because, after all, aren't they important and critical to the functioning of this state? And the answer is yes, so they're entitled to it as well.

"For those reasons, I have to vote 'no.'"

Senator Baker rose in support of the measure and said:

"Madame President, I rise in support of this measure, and I would ask that the remarks of the Senator from Kauai be inserted into the Journal as my own.

"Madame President, one of the greatest needs we have on the island of Maui, the County of Maui, is for additional police officers. We have a great difficulty recruiting. And it's well-established in the laws of our state that when there is a shortage category, we find some kind of a shortage differential, whether it's pay or some other means, in order to help compensate those folks that are willing to join in that profession. And police officers certainly fit that bill.

"I think this is one small incentive that not only would help us recruit more officers to provide for the public safety, but it is, as my colleague from Kauai said, a way of recognizing and honoring their work.

"Thank you, Madame President."

Senator Slom rose to speak in rebuttal:

"Madame President, just a brief rebuttal.

"I guess there must be something wrong with this sound system . . . testing, testing, testing, because we've said over and over again – this has nothing to do with our support for the police officers. We support good pay; we support good benefits. So those people who want to demigod and try to bring this into an issue of it's against the police officers, should take heed about that. We've made it very clear and continue to do so.

"Also, my colleagues that continue to say 'I want to do this, I want to do that,' Madame President, I certainly support my colleagues who want to do that, except that, most of the times they're not reaching in their own pockets; they're reaching in the taxpayer's pockets. And that's what we're doing in this bill. And as we have said, it sets up the likelihood that we're going to see more of these requests in the future.

"Thank you."

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

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

"My understanding of this measure is that this group had collectively bargained prior to resolution of some of the costs with the health benefits. And certainly, we don't want every group who collective bargains to say let's wait, let's wait, let's see what others do, let's see what others do. So I think in the spirit of better collective bargaining, when people bargain in good faith, but unfortunately, after bargaining the health costs went up, I think there is room for remedy.

"Perhaps the Governor could have reopened issues with them, in specific to their health costs, in light of what has happened. That did not happen. This Body feels that there is a remedy that can be done, and obviously we don't want to do it for everybody every time, but we believe in fairness."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2696 was adopted and S.B. No. 3019, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH BENEFITS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 5 (Hemmings, Hogue, Slom, Trimble, Whalen).

Stand. Com. Rep. No. 2699 (S.B. No. 3226, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2699 be adopted and S.B. No. 3226, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to speak against the measure as follows:

"Madame President, this bill attempts to create another preferred group. It is my feeling that . . ."

Senator Hogue interjected:

"Madame President, for which purpose does he rise?"

Senator Trimble answered:

"I rise to speak against this motion.

"This measure tries to create another preferred group. I believe that all public employees are hardworking and deserving, and if we do it for this small niche group that we should indeed do it for everyone. And until we do, I will oppose trying to create niche groups.

"Thank you."

Senator Slom rose to speak against the measure and said:

"Madame President, I rise to speak against the bill.

"We had a very good discussion in our Labor Committee about the bill, and the bill really is supposed to be about the children, surviving children. But what was brought out in testimony was that there seems to be a battle going on between surviving spouses, generally women, who want to remarry and then lose their benefits after they remarry. And they were talking in terms of the children and it was pointed out that our current law does provide whether someone remarries or not that the children up to their age of majority are protected. And I think that's more important than arguing whether we have multiple remarriages or whether we have stepmothers or something else.

"If it's about the children, it's about the children, and they are taken care of under existing law. Thank you."

Senator Ihara rose and said:

"Madame President, would you note my reservations."

The Chair so ordered.

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

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

"I think post 9/11 many in our community made an extra effort to recognize those who've chosen careers where their lives are put in danger, mainly police and fire and there are many other categories as well. I think that's some of the reason why I supported the measure as it moves forward is to look . . . and this measure really is helping those families, only of those families where someone is killed in the line of duty.

"Where there is a difference with the bill having to address children is that currently if a surviving spouse remarries, then that child no longer does receive benefits past the age of 18. If the surviving spouse does not remarry, then the spouse continues to receive benefits until she passes away. So, to me the bill doesn't specifically address children, but if you think about wanting to provide for the children of somebody who's been killed in the line of duty, I believe that they should be provided benefits at least through the time that they've concluded college. Under our current law, that's not provided if the spouse remarries.

"So, to the extent that we want to support the children, honor those men and women who've died in the line of duty, I urge my colleagues to support this measure.

"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, Stand. Com. Rep. No. 2699 was adopted and S.B. No. 3226, S.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, 4 (Hemmings, Slom, Trimble, Tsutsui).

Stand. Com. Rep. No. 2703 (S.B. No. 3170, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2703 was adopted and S.B. No. 3170, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PETROLEUM PRODUCTS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2704 (S.B. No. 2281, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2704 was adopted and S.B. No. 2281, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HIGH TECHNOLOGY DEVELOPMENT CORPORATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2706 (S.B. No. 2380, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2706 be adopted and S.B. No. 2380, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose to oppose the measure and said:

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

"We have private art galleries. We have private art museums. I've been in opposition to the creation of a State Art Museum since it was first discussed. And what makes this more difficult for me is that people will start referring to this as the SAM, the State Art Museum, and I can't have that. I already had a brown tree snake that was murdered. (Laughter.)

"So, for these and other reasons, I oppose this bill."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2706 was adopted and S.B. No. 2380, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE ART MUSEUM," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Slom).

At 2:17 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 2:21 o'clock p.m., with the President in the Chair.

Stand. Com. Rep. No. 2708 (S.B. No. 2972, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2708 be adopted and S.B. No. 2972, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to oppose the measure and said:

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

"Legislative auditor has three criteria for special funds. One of them is that they offer the potential to become self-sustaining. I believe that this does not meet the third criteria.

"The second thing is that if this fund is allowed to keep the fines and penalties that are issued by this department, there will be motivation to issue fines and penalties instead of doing their or other ordinary work. It's this change in focus away from the public good that I also oppose.

"Thank you, Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2708 was adopted and S.B. No. 2972, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HISTORIC PRESERVATION SPECIAL FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Slom, Trimble). Excused, 2 (Ige, Ihara).

Stand. Com. Rep. No. 2709 (S.B. No. 3002):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2709 was adopted and S.B. No. 3002, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PROJECT EAST INITIATIVE IN HAWAII'S PUBLIC SCHOOLS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Ige, Ihara).

Stand. Com. Rep. No. 2711 (S.B. No. 1615):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2711 was adopted and S.B. No. 1615, entitled: "A BILL FOR AN ACT RELATING TO NORTH KOHALA," 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. 2712 (S.B. No. 2280, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2712 be adopted and S.B. No. 2280, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Hemmings rose to speak against the measure and said:

"Mr. President, with all due respect to the introducer of this bill, I rise to speak against it.

"Many areas on Oahu get flooded and are in peril. I think it's a matter of priority that we should take a look at all the areas before we start funding one particular area. Therefore, I'll be voting 'no.'"

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2712 was adopted and S.B. No. 2280, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A LOCAL FLOOD WARNING SYSTEM FOR LAKE WILSON," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Hemmings, Slom, Trimble). Excused, 1 (Ige).

Stand. Com. Rep. No. 2715 (S.B. No. 2438, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2715 be adopted and S.B. No. 2438, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

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

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

"First of all, I'm a little confused. In one point we're talking about the shark being amakua and we don't want to disturb the shark. Now we're going to monitor the shark. In addition to that, though, we're just going to monitor the shark on the Leeward Coast of Oahu. We're not going to monitor the shark on the neighbor islands or anywhere else.

"So, I wish we'd get it straight, but I think we should leave the sharks alone. They seem to be doing their business just fine. Thank you."

Senators Kim and Baker requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2715 was adopted and S.B. No. 2438, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO SHARK MONITORING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2720 (S.B. No. 3025):

Senator Taniguchi moved that Stand. Com. Rep. No. 2720 be adopted and S.B. No. 3025, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Kokubun rose in support of the measure and said:

"Mr. President, I stand in strong support of S.B. No. 3025.

"Mr. President, I just have some written comments that I want inserted in the Journal in support. Thank you."

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

"The primary and overall purpose to be achieved by S.B. No. 3025 is to assert that Executive and Administrative authority cannot override statutory intent; that is to say, changes to statutory intent rests ultimately with the legislature. The specific issue addressed in S.B. No. 3025 regarding the Office of Planning (OP) is to further clarify and re-emphasize that the Department of Business, Economic Development and Tourism (DBEDT) maintains sole jurisdiction over state planning functions and that Office of Planning shall report to no other department other than DBEDT.

"As you know, H.B. No. 1135 was an administrative proposal introduced in the 2003 Session to transfer the Land Use Commission and the Office of Planning to the Department of Land and Natural Resources (DLNR). In effect, H.B. No. 1135 proposed to allow DLNR to monopolize virtually all state-level land use regulatory and permitting decisions. After several committee hearings and adopted amendments, the measure ultimately died in the House.

"In reaction to the failure of the proposal to be adopted, the Governor issued a letter on May 12, 2003, indicating that, with the Attorney General's approval (no written opinion issued to date), she was instructing staff at OP 'to consult with and report to' the Chair of the Board of Land and Natural Resources. Additionally, the letter states that OP will 'continue to be assigned to DBEDT for administrative purposes.' A copy of the May 12, 2003, letter to Acting Director Mary Lou Kobayashi from the Governor is attached. Also attached is a memorandum dated June 9, 2003, from the Senate Majority Office to the Senate President analyzing this action. This analysis clearly sets forth the reasoning and justification for S.B. No. 3025. Additionally, a memorandum dated August 13, 2003, from the Senate Majority Office to me raised similar concerns regarding the transfer of the Land Use Commission (LUC) to another executive department; this is attached as well. This further explains why the original proposal to transfer the LUC could not be included in the administrative action of May 12, 2003. Again, this situation sets out the need for the clarifying language of S.B. No. 3025 to explicitly require that statutory amendment, not administrative interpretation, will be required to re-assign functions of OP.

"Three other critical concerns come to mind with respect to this proposal. Foremost is to establish that this attempt to transfer agency responsibility will not set precedent to allow further administrative action to supercede legislative intent. It is not hard to imagine what other agencies' roles, functions or responsibilities could be re-directed without legislative oversight and approval if action is not taken to stop this practice.

"Second, it is important to keep in mind the provisions of Chapter 205-18 HRS, that mandate OP to undertake a review of the classification and districting of all lands in the State every five years, including lands in or to be considered for inclusion

in the Conservation District. Clearly, this poses an inherent conflict for DLNR, which has sole oversight regarding Conservation District lands, to be directly involved in policy decisions regarding reclassification. For your information, the last 'boundary review' conducted by OP was in 1992. In my opinion, this statutorily mandated State Planning mechanism is extremely underutilized and, in fact, would be very useful in addressing the current dilemma in addressing the constitutional requirement regarding important agricultural lands. S.B. No. 703, S.D. 1, proposed during the 2003 session to amend HRS 205-18, is still available to further discussion on this issue. Nevertheless, the key concern is to maintain OP's independence in carrying out the provisions of HRS 205-18.

"Third, I would ask you to review S.B. No. 2077 regarding State Functional Plans (SFP). This measure amending HRS 226-55 and 56 essentially resurrects State Functional Plans as an integral responsibility of OP. The intent of S.B. No. 2077 is to require each state department to review their own current functional plans and to propose appropriate amendments to reflect changes, if any, in long range goals and implementation actions. Proposals would be submitted to the legislature for approval. The broad range of subject matter addressed by current SFP's also demonstrates why OP is established in DBEDT, due in large part to the relationship between planning and economic development. As you know, in an earlier manifestation during the Ariyoshi administration, DBEDT was the Department of Planning and Economic Development. In a sense, S.B. No. 3025 and S.B. No. 2077 can proceed in tandem given the inherent inter-relatedness between the role and function of OP.

"For these reasons, Mr. President, I ask you and our colleagues to join in supporting S.B. No. 3025."

Senator Trimble rose to speak in opposition as follows:

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

"I note that the Office of State Planning has within its confines the geographic information system, land use, coastal zone management. I believe, with the Governor, that it is most logical to put these functions and to have them report to the Department of Land and Natural Resources.

"Thank you, Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2720 was adopted and S.B. No. 3025, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF PLANNING;" having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2721 (S.B. No. 3052, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2721 was adopted and S.B. No. 3052, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO IMPORTANT AGRICULTURAL LANDS;" having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2722 (S.B. No. 3129, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2722 was adopted and S.B. No. 3129, S.D. 1, entitled: "A BILL FOR AN ACT

MAKING AN APPROPRIATION TO DETERMINE AND IMPLEMENT THE BEST MITIGATION MEASURE TO CONTROL FLOODING OF LAKE WILSON;" having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2723 (S.B. No. 53, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2723 be adopted and S.B. No. 53, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to speak in opposition to the measure and stated:

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

"Public safety, properly, has three components, and I believe that all three components should be county funded – fire, police, ambulance. It's only when we have one agency that is allocating the funds between three different purposes that we can optimize how and where the money is being spent.

"For that reason, I oppose this bill. Thank you."

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

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

"Mr. President, emergency services, of which ground ambulances are a key component, are a state service. On the island of Oahu, the state contracts with the City and County of Honolulu to provide those services. On the County of Hawaii, the state contracts with the county fire department to provide those services. On the County of Maui and the County of Kauai, they contract with independent entities to provide those services.

"Mr. President, the services proposed for Kihei/Wailea are in one of the fastest growing communities in the state for the last two decades – growing 51 percent from 1990-2000. Over 23,000 full-time residents in South Maui depend on the availability of one ambulance. Add in more than 750,000 visitors per year to South Maui, the thousands of employees that work there, and many other island locals using the amenities of South Maui, and the need for another ambulance in this part of Maui is even more critical.

"For years, the Kihei fire station has been the busiest station on Maui with 1/3 of its calls for medical services. Forty percent of those calls are first responder calls because Medic 3, which would normally take these calls, has such a huge call volume that it cannot handle any additional calls. More than 20 percent of the calls to Medic 3 are in the Wailea and Makena areas, and the response time for that area if the ambulance has to come either from Kihei, the very front part of Kihei, or Central Maui or another part of Maui, simply does not meet the state's designated response window of 15 minutes. The amount of activity that occurs throughout South Maui each day of the year, whether it's on the roadways or on beaches, is increasing dramatically and so is the risk of not being able to assist someone in need.

"Mr. President and colleagues, I submit that this measure is very necessary. It is an appropriate state function and I urge my colleagues to move this measure forward. Thank you."

Senator Trimble rose in rebuttal as follows:

“Mr. President, I rise in rebuttal.

“You can’t optimize unless you prioritize, and you can’t prioritize if one function is paid for by the state and the other two by the county. It’s not about the merits of this particular issue; it’s about a general policy statement.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2723 was adopted and S.B. No. 53, S.D. 1, entitled: “A BILL FOR AN ACT MAKING AN APPROPRIATION FOR AMBULANCE SERVICE IN THE KIHEI/WAILEA REGION OF MAUI,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2724 (S.B. No. 2399, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2724 be adopted and S.B. No. 2399, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to oppose the measure and said:

“Mr. President, I oppose this measure.

“It properly is a county function. You cannot optimize unless you prioritize, and that is not done when the state pays for one of the three services.”

Senator Baker rose in support of the measure and said:

“Mr. President, colleagues, I rise in support of S.B. No. 2399, S.D. 2.

“This measure is very unique in that this community on the Big Island of Hawaii sought and found a grant to cover the vehicle to provide for their ambulance service. And what this bill proposes to do is to provide funds for the cost of the personnel. This is another area in our community that’s very rural, that is not well served by current ground ambulance service or, in effect, by other kinds of medical services, and this is one way of meeting the needs of this growing community.

“I urge my colleagues to vote in favor of this measure. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2724 was adopted and S.B. No. 2399, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO EMERGENCY AMBULANCE SERVICE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2726 (S.B. No. 2591, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2726 was adopted and S.B. No. 2591, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO FAMILY AND CAREGIVER SUPPORT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2729 (S.B. No. 2721, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2729 be adopted and S.B. No. 2721, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to speak in opposition as follows:

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

“Perhaps if the City and County of Honolulu had to prioritize we would see a different mix between fire engines and ambulances than they currently have.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2729 was adopted and S.B. No. 2721, S.D. 2, 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, 23. Noes, 1 (Trimble). Excused, 1 (Ihara).

Stand. Com. Rep. No. 2730 (S.B. No. 2948, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2730 be adopted and S.B. No. 2948, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to oppose the measure and said:

“Mr. President, I stand to oppose this measure.

“We have a program that has been working well for 80 years without being codified in the Hawaii Revised Statutes. I suggest that codification will not accomplish anything and therefore oppose it.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2730 was adopted and S.B. No. 2948, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO PUBLIC HEALTH NURSING SERVICES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

Stand. Com. Rep. No. 2737 (S.B. No. 2226, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2737 be adopted and S.B. No. 2226, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose to speak in opposition as follows:

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

“I’m opposed this bill for a number of reasons. First of all, I don’t see the nexus between homeless services and this fund. Secondly, what it does is circumvent the review process so that we can’t look at what the specific programs are. The bill, which of course has now been blanked out, was willing to give up to \$1 million each year for homeless services and they were undefined. Thirdly, I think that the monies properly should continue to go into general funds, and then when we’re talking about shortages in education or other areas we can have that money to do that with, rather than making this unspecified allotment right now.

“Thank you.”

Senator Inouye rose for a conflict ruling and said:



“Mr. President, I’d like to make notice of a possible conflict of interest on this measure before us.

“Mr. President, I do serve on the corporate board of the Catholic Charities. They did send testimony during the committee hearings on the first committee as well, and Catholic Charities does oversee an agency that offers services for the homeless and could possibly offer to bid on a contract of the state. I’d like to at least offer my possible conflict, Mr. President.”

The Chair ruled that Senator Inouye was not in conflict.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2737 was adopted and S.B. No. 2226, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO HOMELESS SERVICES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2739 (S.B. No. 2605):

Senator Taniguchi moved that Stand. Com. Rep. No. 2739 be adopted and S.B. No. 2605, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

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

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

“Mr. President, in God’s country we have over half of the care homes in the state and they do a very valuable job for our community and the state, therefore they deserve this raise.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2739 was adopted and S.B. No. 2605, entitled: “A BILL FOR AN ACT RELATING TO ADULT RESIDENTIAL CARE HOMES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2746 (S.B. No. 3036, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2746 be adopted and S.B. No. 3036, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose to oppose the measure and said:

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

“I find that the bill is going to create more than 200 new social service positions and is going to be a costly measure.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2746 was adopted and S.B. No. 3036, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO CHILD PROTECTIVE SERVICES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 1 (Kim).

Stand. Com. Rep. No. 2750 (S.B. No. 2044, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2750 was adopted and S.B. No. 2044, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE JUNIOR RESERVE OFFICERS’ TRAINING CORPS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (English).

Stand. Com. Rep. No. 2751 (S.B. No. 2054, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2751 be adopted and S.B. No. 2054, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Hogue rose to speak in opposition to the measure and stated:

“Mr. President, I rise to speak in opposition to this particular measure which would assess the taxpayers a \$20 fee for textbooks if they send their children to public schools.

“We already pay taxes for public schools. Sometimes we pay too much. Sometimes we would love to have even more money for public schools. We’re going to have to prioritize here. But we cannot be assessing people additional monies for something that should already be there – namely, textbooks.

“We already had a bill go through, an appropriation for textbooks, and that is a step in the right direction. This sets up a bad precedent where we not only start assessing for textbooks, but other items as well which are necessities. I don’t think that we should cross that line and I would urge all my colleagues to vote ‘no’ against this affront to our taxpayers.

“Thank you.”

Senator Trimble rose to speak in opposition as follows:

“Mr. President, I also rise in opposition of this measure.

“If you read the bill carefully, it does a lot more. It would encourage many of our more entrepreneurial teachers to develop their own instructional materials for which the school could charge the students in their respective classes. I don’t know if this was the intent of the bill, but it appears to be what it could be used for.

“Thank you.”

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

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

“First, to the point of the last speaker, perhaps if there’s something related to entrepreneurial teachers selling material we should clarify that. That was not the intent of the measure.

“As we talk about education reform, certainly one of the issues before us is the shortage of textbooks. And as noted by the speaker from Kailua, certainly, dollars do help.

“And as we talk about reform, as the bill we passed previously – weighted student formula, empowering the principals, empowering the schools, creating a new system, creating more flexibility – this measure does several things. And certainly one of the things it does is empower the school to

charge up to \$20 for the students for their books. Some would say, why so? This Body has attempted to provide more funds for education, but was rebuffed by other parties or other parts of the system. And I believe many people in the schools do want to provide their children, their students with the material they need.

"In visiting Edmonton and talking to one high school there, they charge \$51 for their books. And this is by no means something that if all things being equal, certainly all the books, some of the previous speakers certainly do know that schools like Punahou, you buy your own books every year. The university, you buy your own books. So, buying books isn't something that's new, isn't something that's treading new ground, but it certainly would allow people, parents, and the school community, to make the decision. And if they're saying the school community can't make these decisions up to \$20, what are we saying?"

"Also, this bill would provide an opportunity for parents to look at the list of instructional materials, and if they so choose, they could buy their own materials or find those materials.

"So, Mr. President, I believe to address the shortage, certainly the 1.8 million or 5 million or some million dollar single appropriation will be a big boost, but that in itself will not solve the long-term problem. So I as for my colleagues to support this measure as it goes forward."

Senator Hemmings rose to speak against the measure as follows:

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

"The parents at Punahou, and the University of Hawaii, and Edmonton are not in a school program that's sucking 1,726,000,000-plus dollars out of the taxpayers' pockets of Hawaii. The money is there to pay for books; it's just not being spent appropriately. And that's the foundation of the quest to reorganize the Department of Education as Pat Hamamoto so appropriately said in her unprecedented state of education speech to this Body.

"This system is obsolete, and buying textbooks with more money when you're spending \$1,726,000,000 does not make sense when the taxpayers are being asked to pay for that added burden.

"Thank you, Mr. President."

Senator Hooser rose in support of the measure and said:

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

"First, I'm not sure if I heard correctly, but I believe the very first speaker stated that this bill would assess a charge against students, and that's an incorrect statement if that's in fact what was said. This bill does not assess a charge. This bill empowers schools may assess and collect. So it's up to the individual school community.

"It's not a charge that we're putting on anyone right now. What we're doing really . . . and there's been a lot of talk about managing schools and a lot of discussion, and I thought the discussion was focussing on empowering local schools, and empowering principals, asking them to work with their school communities to make their own decisions. And what this does is provides them a valuable tool to do so. It provides them with the opportunity to charge \$20 if the school community and the principal agree they want to do that. I think this is an important

power and relatively modest power that we could bestow on principals in schools.

"I'd like to further point out that students who are eligible to receive free and reduced lunch will not be required to pay this annual fee. So, we protect those in our community who most need it and we empower schools and principals in school communities to make these important decisions.

"I'd like to again repeat what I said before that the differences of opinions in this room I believe that we should invest in education. I don't see this as sucking money from the taxpayers. The people in my community when asked what's the single most important thing that we can do to improve schools say resoundingly it's to spend more money, invest more money in our schools and in our children.

"So with that, I encourage my colleagues to vote in support."

Senator Hogue rose to speak in rebuttal and stated:

"Mr. President, I rise in rebuttal.

"The point that I want to make here is that by empowering we're going across the line. I agree with the previous speaker – education should be our number one priority, and in the budget, it is. I fully agree with that statement. We are in total agreement. But once we empower anybody for any amount of money for their ability to charge fees, whether it is \$5, \$15, \$20 or \$10,000, we have crossed the line where we are no longer in control of the budget because people are empowered all over the place to charge whatever kind of fees they want.

"So, just think about that when you're crossing this line. It may be \$20 now, but in the future it could be a whole heck of a lot more.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2751 was adopted and S.B. No. 2054, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 6 (Hemmings, Hogue, Ige, Slom, Trimble, Whalen).

Stand. Com. Rep. No. 2753 (S.B. No. 2065, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2753 be adopted and S.B. No. 2065, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Hogue rose to speak in opposition as follows:

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

"I really admit that I don't have a complete and total understanding of this particular bill and so in some regards I'm hoping that the Chair of the Education Committee, who I think has good intent with this particular measure, can stand up and justify it. But as I look at it here, it appears that there is something that will hamstring principals in regards to the timeline for hiring their teachers. It talks about having the principals the authority to make their final decisions and make that known at the end of the previous school year. If I'm correct in that assessment, and please correct me if I'm wrong, then that's going to hamstring the principals when in fact we would like to empower them, as I've been hearing on the Floor here for the past several weeks.

“So, if I’m wrong, please correct me, but I think that that’s what is the wording in the bill. Thank you.”

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

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

“As last summer came about, and reading in the newspaper about problems, people saying ‘I’m qualified or my husband’s qualified but we’re sitting around and we’re not being called,’ part of the frustration on some of us, our parts, were, why aren’t qualified teachers . . . ‘I graduated from the University of Hawaii and nobody’s calling me, or they call me and tell me they’ll let me know later.’

“If we want qualified teachers or we want qualified people in any company, we’d like them to have an assurance – come August 15, September 1, July 15, you have a job, and prior to that, please be ready. I believe this isn’t pointed at principals derelict in their job. Perhaps it’s a little bit of the bureaucracy of the hiring process. Mainland candidates are up there trying to get jobs, maybe when they fall out of the system then a local candidate gets hired. It’s not any one problem, but the goal certainly is not to pick on a principal, but the goal would be to have the qualified teachers on board early enough that they can get ready for their new job during summer. They can do pre-service either paid for or otherwise, but certainly so our children can have teachers ready and willing, not just jumping at the last moment, September 3<sup>rd</sup>, being hired very, very late.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2753 was adopted and S.B. No. 2065, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TEACHERS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2754 (S.B. No. 2108, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2754 be adopted and S.B. No. 2108, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to oppose the measure and said:

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

“If this isn’t micromanagement by this Body, I don’t know what is. On one hand we say that we want to pass the authority down to the schools, and on the other hand we dictate to very small infinitesimal amounts.

“Thank you, Mr. President.”

Senator Sakamoto rose to respond and said:

“Mr. President, just a brief response.

“I believe if the weighted student formula and those measures go forward, measures like this will not be here in the future.”

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

“Mr. President, I just want to voice my enthusiastic support for this particular measure and the next one.

“Both of them get into a field which I really appreciate, and that is the field of athletics. That is a part of our educational system that we don’t endorse enough. It is people who are of good health and good spirit and participatory in their athletic endeavors who absolutely are in the best position to learn and learn very well. This will support them through athletic trainers and having others who are helpful in that particular system because we want healthy students who do participate and are very involved and can get a good education.

“Thank you so much, Mr. President.”

Senator Hemmings rose to speak in favor of the measure and said:

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

“Mr. President, I’d like to underscore, parenthetically to this conversation, the importance of sports in our culture. We are one of the great sports capitals of the world. Children go to school to get a well-rounded education. I can guarantee you that there are many people, very successful people in our society, who have made a substantial living out of sports.

“I think if you added up the total economic impact, Mr. President, of sports in Hawaii you’d see that it far exceeds the impact, for instance, of agriculture. Sports is an industry in Hawaii and it should be supported most especially in schools.

“More importantly, sports teach children something that oftentimes is not taught in the classroom. I know because I’ve learned. They teach children how to win, but very importantly, they teach children how to lose and to pick themselves up and continue to compete in the game of life.

“This is a good investment in our children’s future and I support it.”

Senator Taniguchi rose and said:

“Mr. President, could I have the remarks of the previous two speakers put into the Journal as my own, except for the remarks regarding agriculture. (Laughter.)”

The Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2754 was adopted and S.B. No. 2108, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

Stand. Com. Rep. No. 2755 (S.B. No. 2113, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2755 was adopted and S.B. No. 2113, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO EDUCATIONAL PROGRAMS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2756 (S.B. No. 2114):

Senator Taniguchi moved that Stand. Com. Rep. No. 2756 be adopted and S.B. No. 2114, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

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

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

“When the University of Hawaii seems incapable of making a budget which provides for the safety of their own students and we have to do this, is this not an indictment of their poor management?

“I will be voting against this measure because I believe that both the Department of Education and the University of Hawaii ought to set their own priorities and figure out what they’re going to do, and I don’t think that we should be involved in micromanagement.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2756 was adopted and S.B. No. 2114, entitled: “A BILL FOR AN ACT MAKING AN APPROPRIATION FOR SAFETY AND SECURITY IMPROVEMENTS FOR UNIVERSITY OF HAWAII CAMPUSES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Hogue).

Stand. Com. Rep. No. 2757 (S.B. No. 2115, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2757 be adopted and S.B. No. 2115, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to speak in opposition to the measure and stated:

“Mr. President, I rise for the same reason that I spoke just before.

“I think that the Department of Education should be held accountable for making the appropriate budget.

“Thank you.”

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

“Mr. President, I would like to rise in support, noting my reservations.

“I’m just looking at this. Currently on Maui, I think we take care of our athletic events without having a statewide specialist coordinator. I’m not sure how this position would best try to coordinate some of the events that go on in the neighbor islands. So, support with reservations.”

The Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2757 was adopted and S.B. No. 2115, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Hogue).

Stand. Com. Rep. No. 2758 (S.B. No. 2171, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2758 be adopted and S.B. No. 2171, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to speak against the measure as follows:

“Mr. President, aren’t we, as Senators, wonderful? We have a school system that can’t determine how much textbooks they need, so we have to leap in at the last moment.”

Senator Baker interjected:

“Mr. President, for what purpose does the Senator rise?”

Senator Trimble responded:

“I rose to speak against the measure.

“Mr. President, not only do we need to provide for the sports equipment and the athletic trainers, but if it weren’t for us Senators, they wouldn’t have textbooks. My, we must be important people.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2758 was adopted and S.B. No. 2171, S.D. 2, entitled: “A BILL FOR AN ACT MAKING AN APPROPRIATION FOR TEXTBOOKS FOR PUBLIC SCHOOLS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Hogue).

Stand. Com. Rep. No. 2760 (S.B. No. 2197, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2760 be adopted and S.B. No. 2197, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

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

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

“I have supported school work-study programs all along. This bill, however, talks about real world experience and then says that the student is going to be an employee of the State of Hawaii so that the state can pay workers compensation expenses. If we want real work experience, let the students go out there and find out how much an employer has to pay. And I don’t know why the student can be both a student and an employee of the State of Hawaii.

“I think if we’re really interested in work-study, then we should put the emphasis on work in this particular program and separate that student from the state government, unless all we’re trying to do is create future state employees.

“Thank you.”

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

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

"I guess, in part, the measure is to clarify that the student, just as in other measures, would be covered under workers comp, whether they work for a private organization or NELHA or the UH or some other program. It wasn't my intention to have them being an employee of the State, but I will look into that and see how we can address that issue."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2760 was adopted and S.B. No. 2197, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SCHOOL WORK-STUDY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2761 (S.B. No. 2201, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2761 be adopted and S.B. No. 2201, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

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

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2761 was adopted and S.B. No. 2201, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (Trimble). Excused, 1 (Hogue).

Stand. Com. Rep. No. 2763 (S.B. No. 2256):

Senator Taniguchi moved that Stand. Com. Rep. No. 2763 be adopted and S.B. No. 2256, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to speak in opposition to the measure and stated:

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

"I think a request of this magnitude ought to be within the Department of Education's budget.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2763 was adopted and S.B. No. 2256, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR DEPARTMENT OF EDUCATION PERSONNEL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2765 (S.B. No. 2320, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2765 be adopted and S.B. No. 2320, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose to speak in opposition as follows:

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

"Again, we're sending mixed signals here. If we really are talking about decentralization and we're allowing the schools to

determine its principals and putting power in the principals, then why is the Legislature appropriating money for 10 new vice-principal positions?"

"Thank you."

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

"Mr. President, I rise in support. A brief response.

"If indeed the weighted student formula goes ahead and they do have this new system, again, this is not yet, there are currently the problems in the schools. The department and the board asked for \$51 million and got a pittance, so perhaps there are other issues we still need to deal with."

Senator Slom rose on a point of information and said:

"Mr. President, a point of information, since this is the second bill that the good Senator mentioned. If, in fact, the weighted student formula is passed and goes into effect, will the Majority Party next year be calling for the elimination of these bills that we're passing today?"

"Thank you."

Senator Sakamoto responded:

"Clarification or support.

"In Edmonton, when the dollars do go to the high school, the middle school, the elementary school, whether they hire one, or two, or no vice principals, it's based on the budget and how that school and that school community make their decisions. When it's implemented to that degree, it certainly would be my hope that if they need an athletic trainer, if they need an additional counselor, if they need an additional vice principal, those decisions would be more in the realm of the school and the school community than in this realm."

Senator Slom rose to be recognized.

President Bunda then stated:

"Senator Slom, I believe you have spoken twice."

Senator Slom responded:

"Well, I'm just trying to get a clarification, Mr. President, because I heard the good Senator say before that the only reason we need these bills was because we don't have the weighted student formula yet. So I'm trying to get a clarification – if in fact we pass the weighted student formula . . ."

Senator Baker interjected:

"Point of order, Mr. President, he's speaking rather than just asking a question."

President Bunda stated:

"Senator Slom, you are not recognized."

Senator Slom responded:

"I was asking a question."

President Bunda replied:

"You have already asked your question."

Senator Slom inquired:

“Could I get an answer to the questions I asked?”

President Bunda stated:

“Senator Sakamoto, will you answer that question?”

Senator Sakamoto rose and replied:

“Part of the issue of the weighted student formula is who does the asking and where the resources are? Part of it does deal with other sufficient resources to have the vice-principals, the athletic trainers, the teachers, the counselors. I think one of the issues is, ‘are there adequate resources that a school and school community could want?’ And in that part, I think there will always be a need for more resources.

“The part regarding who will be asking for an additional vice principal or not, with the weighted student formulas Edmonton has implemented, those decisions are made at the school level and with the school community, and perhaps in our case, involving the school complex for positions that may be complex related.

“I think at that point, some of these measures would not be before this Body as we see them today.”

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

“Mr. President, I rise in support with a brief comment.

“I just want to point out to those of you that are following the educational debate and the various reform proposals that are on the table and being discussed in both the House and the Senate, I believe virtually every single one of them calls for increased work, increased responsibility, and increased accountability by principals. With many, many schools that don’t even have a vice-principal, let alone a second one for schools that have 1,000; 2,000; 1,200; 1,400 students, there’s a need, a great need, as we’re asking principals to do more work to provide principals with more support. I believe this measure addresses some of those concerns.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2765 was adopted and S.B. No. 2320, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO VICE PRINCIPALS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2766 (S.B. No. 2379, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2766 be adopted and S.B. No. 2379, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose to speak in opposition as follows:

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

“We certainly want research wherever we can get it. But I think in terms of the construction industry, we’ve discussed over the past several years that there are a number of sources that provide us information. There is the University already providing us information on the industry. There is the

Department of Business and Economic Development. There is the Building Industry Association. There is the General Contractors Association. There is the ABC Group. There are private economists, like Leroy Laney and Paul Brewbaker. I think we’ve got plenty of research already. I don’t think we need to start a new program on research.

“What we have to do, is to solve some of the problems that the industry has already talked to us about and to put people back to work, like in the concrete industry right now.

“So, I’ll be opposed to this bill. Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2766 was adopted and S.B. No. 2379, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO A CONSTRUCTION RESEARCH PROGRAM,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2768 (S.B. No. 2426, S.D. 2):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2768 was adopted and S.B. No. 2426, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO UNIVERSITY OF HAWAII,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2769 (S.B. No. 2429, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2769 be adopted and S.B. No. 2429, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Slom rose to oppose the measure and said:

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

“Certainly, as a former student of the University of Hawaii, I want the students to have resources for student governance, but I note that currently the student government gets \$60,000 from the president’s fund. Again, we are always talking about university autonomy, so I think that the students should learn autonomy firsthand and get the money from the university budget rather than from the Legislature.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2769 was adopted and S.B. No. 2429, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE UNIVERSITY OF HAWAII,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2770 (S.B. No. 2478, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2770 be adopted and S.B. No. 2478, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

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

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

“This is the second bill that we’re talking about in terms of impact fees, and I certainly appreciate comments that I had before from some of my colleagues that ultimately the idea is to meld these two bills together and that there will be more specific developments mentioned and so forth. Until that time, we only have the bill that’s before us and it will continue to increase the cost of housing and development, so I’m voting ‘no.’

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2770 was adopted and S.B. No. 2478, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO IMPACT FEES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

Stand. Com. Rep. No. 2771 (S.B. No. 2538, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2771 was adopted and S.B. No. 2538, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR IOLANI SCHOOL,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Baker, Hooser, Tsutsui).

Stand. Com. Rep. No. 2772 (S.B. No. 2613, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2772 was adopted and S.B. No. 2613, S.D. 1, entitled: “A BILL FOR AN ACT MAKING AN APPROPRIATION FOR FAMILIES FOR RESOURCES FOR EARLY ACCESS TO LEARNING,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2773 (S.B. No. 2671, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2773 was adopted and S.B. No. 2671, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR THE CONGREGATION OF CHRISTIAN BROTHERS, INC. DBA DAMIEN MEMORIAL HIGH SCHOOL,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 4 (Baker, Hooser, Trimble, Tsutsui).

Stand. Com. Rep. No. 2774 (S.B. No. 2790, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2774 was adopted and S.B. No. 2790, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR HALEAKALA WALDORF SCHOOL,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 4 (Baker, Hooser, Trimble, Tsutsui).

Stand. Com. Rep. No. 2775 (S.B. No. 2791, S.D. 1):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2775 was adopted and S.B. No. 2791, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR MONTESSORI SCHOOL OF MAUI, INC.,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 4 (Baker, Hooser, Trimble, Tsutsui).

Stand. Com. Rep. No. 2776 (S.B. No. 3011, S.D. 1):

Senator Taniguchi moved that Stand. Com. Rep. No. 2776 be adopted and S.B. No. 3011, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

Senator Trimble rose to speak in opposition to the measure and stated:

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

“Simply stated, this measure provides a 10-year exemption from continuing education for retired teachers. I am curious if the function of requiring people to have continuing education is the need that they maintain their proficiency or is it instead that they’re on a career track and get higher salaries? If it is not the need for proficiency, then we should not require it. If there is a need for proficiency and that’s why we require or ask for continuing education, then a two-year exemption for retired teachers is too long.

“Thank you, Mr. President.”

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

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

“In clarifying the previous speaker’s comments, without this measure, many retired teachers feel forced to take a 33-hour course by the Department of Education before they can substitute teach. And certainly if you’ve just retired or recently retired, at least it’s the feeling of the members who have moved this forward at this point, that we shouldn’t require those teachers to take that course.

“Certainly this hasn’t anything to do with continuing education if they want to improve themselves professionally, but to be a substitute teacher, having been a retired teacher, we’re trying to relieve them of that burden.”

Senator Hogue rose in support of the measure and said:

“Mr. President, I rise in support.

“Mr. President, this bill makes absolute sense. We have a shortage of substitute teachers and a shortage of qualified teachers. This exemption that allows retired teachers – those that have been in the classroom who know, frankly, what in the world they’re doing – the exemption from having to go to extra classes will allow us to recruit them into the system where they are needed as substitutes.

“So, I am glad that the Senate Chair of Education has gone forward with this particular measure and I think it will be helpful to all involved.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2776 was adopted and S.B. No. 3011, S.D. 1, entitled:

“A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Trimble).

Stand. Com. Rep. No. 2779 (S.B. No. 3086):

On motion by Senator Taniguchi, seconded by Senator Kokubun and carried, Stand. Com. Rep. No. 2779 was adopted and S.B. No. 3086, entitled: “A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS FOR ISLAND PACIFIC ACADEMY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 3 (Baker, Hooser, Tsutsui).

Stand. Com. Rep. No. 2782 (S.B. No. 3231, S.D. 2):

Senator Taniguchi moved that Stand. Com. Rep. No. 2782 be adopted and S.B. No. 3231, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Kokubun.

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

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

“Very briefly, here we have yet another item that wasn’t included in the Department of Education supplemental budget. Sooner or later we’re going to have to require them to get most of what they want in their budget.

“Thank you, Mr. President.”

Senator Sakamoto rose in support of the measure and said:

“Mr. President, I rise in support.

“Just briefly, this isn’t a budget item, but a clarification. When I try to get people to volunteer for schools or volunteer here, sometimes they say, ‘Well, pay me lunch money. Help me with my parking money.’ Many schools do have available funds. This isn’t necessarily a budget item from us. But, to clarify that if we do pay a volunteer or helper some stipend, it shouldn’t be taxable, and it doesn’t make them an employee. But certainly, any way we can help schools have people help them, either for free or for a small stipend, would go a long way in improving public education.”

Senator Hogue rose to inquire:

“Mr. President, just a quick questions, if I could, for the Senate Education Chair, because I was going to vote ‘no’ but I think your explanation is a good one here. Is this money coming out of like a petty cash fund?”

Senator Sakamoto answered:

“We’re not appropriating it out of general funds. If Kailua Inter had money that they wanted to pay stipends either to university students or senior citizens, it would come out of how the school would choose to use their funds. That would be the intention that I have, as opposed to appropriated funds.”

Senator Hogue replied:

“Thank you.”

The Chair inquired:

“Senator Trimble, are you voting ‘no?’ Senator Trimble is voting ‘yes.’”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2782 was adopted and S.B. No. 3231, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO EDUCATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2784 (S.B. No. 2017, S.D. 2):

Senator Hanabusa moved that Stand. Com. Rep. No. 2784 be adopted and S.B. No. 2017, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Hogue rose in support with reservations and stated:

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

“I think it’s very good that we’re moving along a measure that has to do with racing. We have already seen on the news the horrible accidents that cause death, destruction, terrible, terrible tragedies. So I think that this is a step in the right direction.

“However, there’s a problem here with the forfeiture part of the bill. Essentially, what will happen if this measure moves forward is that the registered owner of the car would have to forfeit their vehicle if someone else was racing. It’s back to the VanCam debate. And I realize that we talked a lot about this in the Judiciary. We moved this forward. A lot of people had reservations on it. Even the police department had reservations about it. There’s some way that we need to cleanup that particular matter so that the person who does the crime is the person who suffers the punishment – not a grandfather, or auntie, or a dad who loaned somebody the car, who three years ago the kid was caught racing and now they do it again, and all of a sudden the family is without the car. So, we’ve got to figure out that particular part of this. We’ve also got to figure out the objections that the police department has as well.

“I hope that we can figure out those particular problems as we move this important bill forward. Thank you.”

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

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

“First of all, I would like to thank the Judiciary Chair for pulling it out and hearing the bill.

“Secondly, as far as the concern about ownership of the vehicle, again, you must make the people realize that for the second and third offense that they will forfeiture their car. And owners of cars must realize whom they are loaning their cars to. If the guy is a bad driver, he’s a racer, you know, he’s not going to drive my car. So that’s the owner’s responsibility to look at that.

“The second thing, Mr. President, is that the police have some problems because they’re concerned about the monies that would have to be spent from their pockets. We gave the Attorney General the capability of having a fund, and this fund is to maintain the cars and maintain whatever contraband they



have. So, we have that in the legislation and these funds will come from the AG's office.

"Thank you."

Senators Slom, English, Hanabusa, Kim, Ihara, Ige and Taniguchi requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2784 was adopted and S.B. No. 2017, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO RACING ON HIGHWAYS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

Stand. Com. Rep. No. 2785 (S.B. No. 2018, S.D. 1):

Senator Hanabusa moved that Stand. Com. Rep. No. 2785 be adopted and S.B. No. 2018, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Tsutsui rose for a conflict ruling as follows:

"Mr. President, I would like to declare a potential conflict.

"I guess with the passage of this bill, owning a baby store, I guess we could see an increase of sales in the amount of booster seats and car seats that we carry."

The President ruled that Senator Tsutsui was not in conflict.

Senator Whalen rose to speak in opposition to the measure and stated:

"Mr. President, I rise in opposition.

"We passed something out similar to this a couple of years ago, and the then Governor, Cayetano, vetoed it because of the reality of having kids going to school carrying their backpacks, their books, their lunches and their booster seats strapped on to their back because they have to catch another ride home. Although it sounds kind of funny and people might think I'm exaggerating, but for many people . . . I hate to keep harping on the neighbor island thing, I just haven't lived here in so long and I don't know exactly how it works here anymore. But on, at least, the Big Island, a lot of parents, because there's no public transportation, one parent will go drop of the child, another parent will pick them up, or they'll carpool and things like that.

"And even for little kids, you don't have like a storehouse, other than the wonderful Senator from Maui who can just grab a car seat when he needs one. Most of us will buy them because we have a little child, and that's it. You don't have an extra five or six laying around in case you're going to take some friends to the beach or your kid's friends to the beach. And this still does not take into account the reality of limiting people's mobility to be able to go and do things. All of the neighbor islands are like this. And especially the Big Island, distances are far – you can't just walk to the corner and get something; you have to go a long distance.

"With the seat belt thing that we did previously, and this bill here, I don't think it takes into account at all the reality that this is a state of varying places with different needs and different areas. And this bill puts a severe hardship on at least the people in my district and I dare say the whole state for the reality of what we have right now.

"I appreciate Governor Cayetano for vetoing it last time. I know it's not going to be voted down today, but I hope we begin to look at things in a practical manner instead of just saying if it saves one life it's worth it, because that's really not our motivating goal here. There are a lot of things we could do to save one life, but we don't do it.

"The practical reality is this will put a severe hardship on many people, and I wish we would not pass this type of thing."

Senator Kawamoto rose to speak in favor of the measure and said:

"Mr. President, I rise in favor of this bill.

"Mr. President, the number one killer of children from 3 to 19 is car accidents. Throughout the country, car accidents are the number one killer for the National Transportation Department. This is one of three bills that we have for safety.

"Mr. President, like the previous speaker said, you save one life, it's worth it – and I believe that. How much does it cost for a seat? Maybe 50 bucks, maybe 75, I don't know how much the Senator from Maui sells his car seats for, but you know, it's worth it to save one life.

"This is a national trend throughout the country. And this is idea, the Keiki Caucus, those people endorsed it. So again, I'd like to thank the Judiciary Chair for hearing the bill and passing it out.

"Thank you."

Senator Whalen rose to speak in opposition as follows:

"I guess I wasn't clear and I standup again in opposition.

"If it was really our idea or our policy – if it saves one life, it's worth it – then we would just ban everyone from cars. We would set all speed limits like at five miles an hour or have cars that have bumpers that are ten feet wide and made of down. Because if that was really our goal, there's a lot we could do to save a lot more lives than just what this would do.

"I've read the statistics and the studies, and very few of them, almost none of them, have a differentiation between if a child was even in a seat belt, period, or an 18-year-old that flies out back of a truck because of whatever reason, or their drunk, or whatever. There are a lot of reasons why they die. We just passed the speeding bill and that statistic is in there as well.

"So, yes, people die, but it is not our overall policy if it saves one life, it's worth it. We do not legislate in that manner. And this again, not to harp on it, but it is impractical for us to pass it.

"Thank you."

Senator Kim rose to oppose the measure and said:

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

"Mr. President, obviously our Senator from Waipahu hasn't had children for a long time. And you know, just buying a booster seat is not as simple as \$50. Obviously, they are very bulky, and if you have more than one child, several children that have to fit in the back seat, if you have a child like mine who at seven years old was quite large, I don't know if there would have been a booster seat that he could sit in. Certainly, he did not even want to sit in a car seat when he was four years

old. So, I think there are practical issues surrounding this measure.

"I also think that parents have to take a responsibility. It bothers me every time we have to legislate for practical things that adults and parents should be responsible for. And I believe that we need to be responsible for our children and we need to exercise these kinds of decisions. We need to stop meddling in people's lives all the time and dictating what they should and shouldn't be doing. So, if I am a parent and I feel my child should be sitting in a booster seat, then I should do that.

"So for these reasons, I will be voting against this. Thank you."

Senators Kokubun, English and Ige requested their votes be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2785 was adopted and S.B. No. 2018, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD PASSENGER SAFETY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 6 (Hemmings, Hogue, Kim, Slom, Trimble, Whalen).

Stand. Com. Rep. No. 2786 (S.B. No. 2024, S.D. 1):

Senator Hanabusa moved that Stand. Com. Rep. No. 2786 be adopted and S.B. No. 2024, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Hogue rose to speak in favor of the measure with reservations and stated:

"Mr. President, I rise in favor of this legislation with reservations.

"I think it was abundantly clear, and I think that is the appropriate word here, that this measure might have some problems in Judiciary, because there was a discussion there, and I won't go into all of the details, in which one of the Senators was asking one of the enforcing police officers exactly what would the pedestrian be responsible for and exactly what would the driver of the vehicles be responsible for on the highway? And I think that wording eventually was put forward in the committee report by the good Chair of the Judiciary Committee that we need to be absolutely clear, because you can't go and look at the law when you're halfway through the intersection.

"So, it's important, as this particular measure moves forward, that we make it absolutely clear what the responsibilities of each of the parties are, so somebody doesn't have to worry about whether they're half way through the intersection, whether there is a median there, etc., etc., etc.

"So, let's be thinking about realities as we move this forward. Thank you."

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

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2786 was adopted and S.B. No. 2024, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE TRAFFIC CODE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (English, Hemmings).

Stand. Com. Rep. No. 2787 (S.B. No. 2088, S.D. 1):

Senator Hanabusa moved that Stand. Com. Rep. No. 2787 be adopted and S.B. No. 2088, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Whalen rose to speak in opposition as follows:

"Mr. President, I rise in opposition.

"Mr. President, the way I read this bill is that by taking out 'terminally illness,' this would apply to anyone in the 'do not resuscitate' category. I've talked to a few people just today, young people, who, at the urging of various advertisements and what not, have filled out the living will thing and do not resuscitate, etc., so they will qualify under this if they are terminally ill.

"With this bill, you could have a 20-year-old who's trying to take care of whatever problems down the line, fill out the form, stick a screwdriver in a socket by mistake because they're working on something, get shocked and their heart stops. Holy smoke, he's got a wristband on or the bracelet on or whatever. The paper is there. Don't bring him back to life. Just treat him for his burns. He's not in pain. Just let him keel over and die. In other words, don't try to resuscitate the guy.

"I don't think there's enough safeguards in it by just taking out 'terminally ill.' I'm not saying that anyone is going around trying to kill anyone, but the safeguards being removed in this manner, the person could have unintended consequences. I'll leave it at that.

"Thank you."

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

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

"Mr. President, it was the paramedic community, as well as other health providers, that brought this need to our attention, because so often there are situations now, where paramedics find that they are being called to a scene and there is a request by the patient or the family member not to resuscitate, but they're not allowed to honor those decisions because of the way the current law is written. In fact, in testimony before your Health Committee, the Department of Health supported this measure to amend Section 321-23.6, Hawaii Revised Statutes, to delete terminal condition as the sole circumstance for when a person can declare comfort care only, do not resuscitate protocols for use by emergency response personnel. This measure provides consistency with other provisions for advance directives in hospitals and other healthcare institutions.

"The paramedic community testified, as well, saying that while hospitals, care homes, and other facilities must abide by advanced directives, signed by the patient and or their families, current law mandates that all of these people have the full measure of paramedic response. This often places paramedics at odds with the wishes of patients and their families.

"I think this is an important measure because it puts control with the patient. It does have safeguards in that you have to have the bracelet on. It's not just something that's done willy-nilly, and I think this is an important measure for our emergency medical services community.

"I urge all of my colleagues to vote in favor of this measure. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2787 was adopted and S.B. No. 2088, S.D. 1, 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, 23. Noes, 1 (Whalen). Excused, 1 (Menor).

Stand. Com. Rep. No. 2789 (S.B. No. 2237, S.D. 2):

By unanimous consent, Stand. Com. Rep. No. 2789 and S.B. No. 2237, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HIGHWAY SAFETY," were recommitted to the Committee on Judiciary and Hawaiian Affairs.

Stand. Com. Rep. No. 2791 (S.B. No. 2395, S.D. 2):

Senator Hanabusa moved that Stand. Com. Rep. No. 2791 be adopted and S.B. No. 2395, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

Senator Ihara rose to speak in opposition to the measure and stated:

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

"Mr. President, I want to acknowledge the good work that the proponents of this bill have accomplished up to this point. The bill is greatly improved, and it does not limit public disclosure of convention center booking records for all time, but just for the first 10 days after the convention is completed. However, I have a number of concerns still remaining.

"The State Convention Center lessees and licensees do not currently have confidentiality. I believe that this policy should remain. Not knowing who will use the convention center, our public convention center, denies the public the right to protest any users that they feel that they would like to protest. I believe that citizens of our state do have a right to express their views on matters, particularly involving the use of state resources. It also keeps the convention center area residents from anticipating impacts, traffic impacts, from large convention users.

"Additionally, in the bill is a nondisclosure for confidential business information, proprietary information. This type of information is already protected under current law. There is no public policy rationale given by the proponents to suggest 10 days, allowing the public to see booking records of the convention center 10 days after the convention is completed. I asked the proponents, why not one day? What is the rationale between one day and ten days? And I received no response and I have not received any response as of today.

"Also, I believe the licensees should not control when their information, the booking information, whether the information will be publicly available or not, because they control whether they want to have their information be confidential simply by saying I need it in order to book your convention center in Hawaii.

"Also, there is no written requirement. There is no requirement for written documentation that there is a need for nondisclosure. And also, the Tourism Authority is the decision-maker here to determine whether certain records should be kept confidential. I believe, as the Office of Information Practices recommended, that an independent body should review the

records and make their own decision whether these records should be disclosed or not.

"Mr. President, I believe that this bill presents a valid policy choice between public access to records in government files versus allowing the convention center to be competitive in the marketplace. And on this matter, Mr. President, I must stand on the side of open records.

"Thank you."

Senator Kim rose to speak in favor of the measure as follows:

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

"Mr. President, we are a visitor destination. Our economy is highly, highly dependent upon visitors. This Body has spent millions, \$350 million to build a first class convention center. The convention center is there to hold and host large conventions. Obviously, the people surrounding that area know that that's the purpose of the convention center.

"If we are going to remain competitive, if we are going to compete for large conventions around the world, there are going to be certain conventions that come here and request confidentiality – which we don't have a lot as it was testified to in the Committee. But every now and then there is one or two or three that come that will not hold their convention unless their records be kept confidential, then we're not going to be able to compete. I think it is clear that it is only in those cases when they ask or request that their information be kept confidential.

"The bill has been changed quite a bit and it is only ten days after. Also, if a booking is in fact canceled, then that information will be released. I think that we have to balance the need for information along with the need to be competitive. It is a business. It is a business, and here and now in this time when funds are very tight and our budgets are dependent upon the income that comes in from a number of user fees, we have to make that balance work.

"Thank you."

Senator Slom rose to speak in opposition to the measure and stated:

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

"I sat in on all the discussions of the bill, and if I had to err, I would err on the side of the good Senator from Kaimuki.

"I don't think we're faced with an either/or decision – either we keep information confidential or we have a competitive facility. In all the years leading up to this Session, I never once heard this issue come forward, never once heard that this was a problem, never once heard that this had anything to do with our competitiveness. All of a sudden it came and the first name that we heard was that of Mr. Bill Gates of Microsoft Corporation.

"I think that it is true that money has been spent, hundreds of millions of dollars, but we would remind you that that money was not ours. The money was the taxpayers. It is a public facility.

"We heard during the discussion that many hotels who have convention facilities, as a matter of practice, keep this information confidential. And that is all right. I have no problem with that because they are private facilities. This is not a private facility. The public has the right to know. Ten days

after the event is ten days too long. I have not seen the evidence that, as I say, this is a bar to our competitiveness. I think our cost, our distance, other things that we have that are real problems, those are the bars right now.

“So again, if we had to err anywhere, let’s err on the side of openness in government and let’s not go behind closed doors and give certain individuals special privileges.

“Thank you.”

Senator Ihara rose again and said:

“Mr. President, a follow up in opposition.

“Mr. President, if the convention center was competitive now, as are other public convention centers around the country, I do not think that this bill would be sought. So, the question is, does this mean that if and when our convention center becomes successful and competitive, that we will no longer require the secrecy?

“Thank you.”

Senators Inouye, Hooser and Ige requested their votes be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2791 was adopted and S.B. No. 2395, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO INFORMATION PRACTICES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 4 (Hogue, Ihara, Slom, Trimble). Excused, 1 (Taniguchi).

Stand. Com. Rep. No. 2795 (S.B. No. 2607, S.D. 1):

On motion by Senator Hanabusa, seconded by Senator Chun Oakland and carried, Stand. Com. Rep. No. 2795 was adopted and S.B. No. 2607, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO ADOPTION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

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

At 3:36 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 4:12 o’clock p.m.

Stand. Com. Rep. No. 2797 (S.B. No. 2779, S.D. 2):

Senator Hanabusa moved that Stand. Com. Rep. No. 2797 be adopted and S.B. No. 2779, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Chun Oakland.

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

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2797 was adopted and S.B. No. 2779, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TRADITIONAL HAWAIIAN HEALING PRACTICES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Kokubun, Taniguchi, Whalen).

Stand. Com. Rep. No. 2803 (S.B. No. 2579, S.D. 2):

Senator Menor moved that Stand. Com. Rep. No. 2803 be adopted and S.B. No. 2579, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Baker.

Senator Slom rose to speak in opposition to the measure and stated:

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

“Again, it further puts additional mandates and costs on the prepaid health care act. It’s paid mainly by small business employers.

“Thank you.”

Senator Trimble rose to oppose the measure and said:

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

“This is a simple case of 101 economics. You increase the cost of a service and less people will be covered by it. We have had no estimation in terms of the reduction of the coverage because there are fewer workers in the workplace being covered.

“Thank you.”

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

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

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

“Mr. President, colleagues, this measure completes the work we started last Session. We’re extending and improving the definition of mental health illnesses that are covered and for which they must be treated equally with a physical disease. This year we’re completing the task by completing the definition of mental illnesses covered and also by adding substance abuse – alcohol and other drug abuse.

“I would note for the record, Mr. President, that HMSA announced at the end of last Session that they were going to include all of the mental illnesses with their implementation of the parity law we passed. They were taking their cue from the Legislature and it did not in any way have anything to do with increasing their premiums.

“I would also note that in previous studies by the auditor, and we will continue to wait for another one, that in other places where they have added substance abuse treatment parity, it has been insignificant in terms of any increase in premiums.

“I also checked with HMSA and others in term of the usage of mental health and substance abuse services. You know, we spent a lot of time talking about the need for treatment for ice addiction, the need for rehab and it’s important that people be able to access their benefits. Up until this point, people have been reluctant to access benefits, they haven’t been utilized simply because doctors didn’t want to prescribe because there was this lifetime benefit – two treatment episodes per lifetime. In talking with HMSA, they said that since 1998 only 167 private business members have incurred a second lifetime episode, and only 12 of these members received treatment beyond their second lifetime episode.

“So, the kind of parameters that we’re putting in this measure to provide for parity is not going to be a significant impact for their members, but it’s going to ensure that people who do need the treatment will be able to get the treatment and we will have treatment access available for individuals who are suffering from alcohol or substance abuse. In many ways, it’s going to help employers because it will make sure that the employees are healthy.

“Thank you, Mr. President.”

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

“Mr. President, I’m going to speak in support of this with reservations.

“I think the reservations noted by the business community are noteworthy. However, having gone through this as a parent with a child with one of these disorders, I actually have seen how important it is that we have this measure actually go forward. We ran into this problem as a family a couple of years ago with a cap that was on it, and this past year we were able to go beyond that and it turned out that it was important for the health and wellbeing of a child.

“Also, testimony has come forward from other states that have used the parity situation, specifically, Minnesota and New Hampshire. And we just also heard recently from HMSA that premiums have not increased and that getting the patient into important care early on has actually cut down on the progression of the illness and the progression of the cost.

“So, for these reasons, I still want to hear the final figures, but I will support the bill at this time. Thank you.”

Senator Slom rose to speak in rebuttal and said:

“Mr. President, just a very brief rebuttal.

“HMSA just raised rates on small businesses in excess of 14 percent. This was the third raise in the last year. They’re promising additional raises.

“While the major cost driver has been medicine, prescription drugs, every cost component goes into the rate-making process, and I’ve never heard them say that these things do not cost something. The cost, of course, goes to the small businesses that pay the predominant share of the premiums.

“Secondarily, while certainly we want to encourage people to use services if they are ill, whether it’s a physical illness or a mental illness, I don’t think that the people that are accessing the substance abuse, including mental health coverage right now, are those people that we’re concerned about from the criminal aspect. They are people such as parents, such as people that have problems within their families, but they’re not the vast majority of people that we’re trying to address in other measures.

“Thank you.”

Senator Ige rose and said:

“I’d like the record to note my reservations.”

The Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2803 was adopted and S.B. No. 2579, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO MENTAL HEALTH

AND ALCOHOL AND DRUG ABUSE INSURANCE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 2 (Slom, Trimble). Excused, 3 (Kokubun, Taniguchi, Whalen).

Stand. Com. Rep. No. 2812 (S.B. No. 2404, S.D. 2):

Senator Aduja moved that Stand. Com. Rep. No. 2812 be adopted and S.B. No. 2404, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator English.

Senator Slom rose to speak in opposition to the measure and stated:

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

“This bill has had a very interesting history in the hearings that we’ve had. A public relations specialist for the city and county came forward, and the original bill was over a million dollars, and that bill was subsequently amended to pare it down to half-a-million dollars. And now there’s a blank amount with some provisions for matching. But from the very outset, Mr. President, I asked for a budget, what the expenses were for – never saw a budget. First bill – never saw a budget. Second draft – never saw a budget. The current draft.

“We did see possibly on television last night, several of us, that the city council has doubled and is now proposing tripling their travel allowance for their members to go traveling to the mainland so that they can see how conventions work so that they will be in a position to host this convention next year. I don’t think that’s a good expenditure of money, and I don’t know why this state is supporting this particular project.

“The city and county has indicated that from the beginning they didn’t want to put any money into it. It was suppose to be for a benefit for all neighbor counties statewide. And yet, the neighbor counties do not put any money into it. So I don’t think that we should be financing this particular measure.

“Thank you.”

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

“Mr. President, I rise in support of the bill.

“Mr. President, again, like the proposal of the bill, the proponents of the bill thought that the state would benefit from all these activities and the visitors that come here. So we felt that, at that time, both the Tourism and the TMG Committees felt that they deserved some money from the state.

“So, I think it was passed on and it’s zero dollars, and that’s where it lies.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2812 was adopted and S.B. No. 2404, S.D. 2, entitled: “A BILL FOR AN ACT MAKING AN APPROPRIATION FOR EXPENSES OF THE 2005 NATIONAL ASSOCIATION OF COUNTIES MEETING IN HONOLULU,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 2 (Slom, Trimble). Excused, 3 (Kokubun, Taniguchi, Whalen).

Stand. Com. Rep. No. 2816 (S.B. No. 2997, S.D. 2):

Senator Aduja moved that Stand. Com. Rep. No. 2816 be adopted and S.B. No. 2997, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator English.

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

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

“What we apparently are doing are providing high school students with scholarships so that they can become engineers so that they can work for the Department of Transportation. My problem is that we are identifying a high school student and giving him a fast track to be a DOT employee. I don’t think that’s the way the system is supposed to work.

“Thank you, Mr. President.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2816 was adopted and S.B. No. 2997, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO DEPARTMENT OF TRANSPORTATION’S ENGINEERING SCHOLARSHIP PROGRAM,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 2 (Slom, Trimble). Excused, 3 (Kokubun, Taniguchi, Whalen).

Stand. Com. Rep. No. 2817 (S.B. No. 2998, S.D. 1):

Senator Aduja moved that Stand. Com. Rep. No. 2817 be adopted and S.B. No. 2998, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator English.

Senator Trimble rose to speak in opposition as follows:

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

“Again, we have a case where we’re exempting a fee from central services and administrative fees. I don’t think that we should do this as independently one fund at a time. I think it is appropriate that the legislative auditor review all of them all at one time, make recommendations to us and then we decide which special funds will be exempted from paying the administrative services and central services fees.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2817 was adopted and S.B. No. 2998, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO PASSENGER FACILITY CHARGES,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 2 (Slom, Trimble). Excused, 3 (Kokubun, Taniguchi, Whalen).

Stand. Com. Rep. No. 2818 (S.B. No. 3080, S.D. 2):

Senator Kokubun moved that Stand. Com. Rep. No. 2818 be adopted and S.B. No. 3080, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Aduja.

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

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

“This is a bill to address the grievances of the airport concessionaires, but actually it’s one concessionaire. We have supported assistance to the concessionaires and flexibility on

the part of Department of Transportation since 9/11. I think that that flexibility was needed. I think that there were specific problems. Most of those problems have been resolved with the individual concessionaires. There’s one concessionaire left, and having talked to him directly and also to the Department of Transportation, they are in negotiations right now. So, I don’t see a need why we need legislation.

“We got the DOT off the dime. We got them to negotiate. That’s what they’re doing right now. We should wait and see what the results of the negotiations are.

“Thank you.”

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

“Mr. President, I rise in support of the bill.

“Again, this bill has been in the hopper for a couple of years now. Basically, this bill is the one that was the driving force to bring the administration to the table and ensure that to happen. Why they chose not to settle with one particular individual, I don’t know what the reasons are.

“We’re using this bill again to bring the administration to the table and address all the concessionaires. And one individual, not the only one, but he’s the smallest and he’s the oldest. He’s been there some thirty-some-odd years. So we don’t know why they chose not to work with him, and work with him at the last minute.

“Thank you.”

Senators Hanabusa, Kim, Baker, Tsutsui, Ige, English, Ihara, Hooser and Aduja requested their votes be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2818 was adopted and S.B. No. 3080, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO TRANSPORTATION,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hogue, Slom, Trimble). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2819 (S.B. No. 3189, S.D. 2):

Senator Kokubun moved that Stand. Com. Rep. No. 2819 be adopted and S.B. No. 3189, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Slom rose to speak in opposition as follows:

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

“I’m voting against the bill because it does two things that are negative. I think we certainly need enhanced 911 service. But first of all, we’ve got so many fees on your cellular phone bill right now. Take a look sometime and see how many fees you’ve got. This adds another fee, which is an increase in tax, and in addition to that, creates yet another new special fund.

“Thank you.”

Senator Trimble rose to speak with reservations and stated:

“Mr. President, I rise with reservations.

"It is my understanding that the technology that is being considered for Hawaii is that of triangulation. I don't think that will pinpoint location with a precision that is available with GPS technology. And so my concern is that we impose a fee and then we use a technology that is inferior.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2819 was adopted and S.B. No. 3189, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO WIRELESS ENHANCED 911 SERVICE," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Hemmings, Slom). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2820 (S.B. No. 2835, S.D. 1):

Senator Kokubun moved that Stand. Com. Rep. No. 2820 be adopted and S.B. No. 2835, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Trimble rose to oppose the measure and said:

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

"This measure would allow the attorney general's office to put fines and penalties into a special fund for future use. I think that this will change the focus of the operation and I don't think that the attorney general's office should be entrepreneurial when they approach their duties, as it will relate to a less than good public policy being pursued.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2820 was adopted and S.B. No. 2835, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF THE ATTORNEY GENERAL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 2 (Slom, Trimble). Excused, 3 (Baker, Taniguchi, Whalen).

Stand. Com. Rep. No. 2823 (S.B. No. 2558, S.D. 2):

Senator Kokubun moved that Stand. Com. Rep. No. 2823 be adopted and S.B. No. 2558, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Trimble rose to speak in opposition to the measure and stated:

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

"If Hawaii is not competitive in the aftermath of 9/11 in the film industry, then it will never become competitive, because we are, being on US soil, a preferred location for filming. Therefore, it is inappropriate to have a tax credit that we will continually have to renew to continue to support this industry. And for that reason, since it is not a temporary tax credit, I will oppose this measure."

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

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

"A couple of points in rebuttal to the last speaker. Number one, this tax credit is for a five-year period. It proposes to make Hawaii a lot more competitive because in light of the post 9/11 timeframe, many other states have come up with far more competitive tax credits, and you know, time is money. And when we are as far from the US mainland as many other jurisdictions – New Mexico, Louisiana, Oklahoma – we face increasing competition for film production.

"Thirdly, with respect to burgeoning digital media industry, as many among us have pointed out, it's no longer a matter of simply film and motion picture production. It's a matter of games development. Games and video games have surpassed box office receipts as a much more vibrant and exciting industry to get into.

"So, this bill takes the administration's proposal and tries to incorporate the many facets of digital media, which we think will be very beneficial to many of the parts of Hawaii that are most attractive to digital media creation.

"The bill incorporates a number of the concerns that local film and digital media producers have incorporated. And for those reasons, I'd like to urge my colleagues to vote in support of this measure.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2823 was adopted and S.B. No. 2558, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE ENTERTAINMENT INDUSTRY," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 1 (Trimble). Excused, 3 (Baker, Taniguchi, Whalen).

Stand. Com. Rep. No. 2825 (S.B. No. 2396, S.D. 1):

Senator Kokubun moved that Stand. Com. Rep. No. 2825 be adopted and S.B. No. 2396, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Aduja.

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

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

"It is my understanding that contributions to charitable organizations are not subject to the general excise tax. I don't know why that was inserted into this bill. I oppose it.

"Thank you."

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

"Mr. President, I rise in support.

"Mr. President, what this bill will do is exempt the general excise tax for certain charitable organizations in a situation where they rent out the convention center and they rent out exhibition space. They do have to pay the general excise tax. What happens is, when they resell that space to their members to pay for the convention costs, then they are supposed to pay another excise tax on that resale. So it's like a double pyramiding type of tax, and that's the portion that we're asking that they be exempt from.

“Currently, and the tax department has admitted this, they have not been collecting for that tax. Recently, one group went in and asked if they owed a tax, and of course if you’re going to ask the Tax Department if you owe a tax, they’re going to say ‘yes.’ And so they had to come up, I think, with like \$40,000 to pay for that tax, and so that is what prompted this bill.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2825 was adopted and S.B. No. 2396, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 1 (Trimble). Excused, 3 (Menor, Taniguchi, Whalen).

Stand. Com. Rep. No. 2826 (S.B. No. 2711, S.D. 2):

Senator Kokubun moved that Stand. Com. Rep. No. 2826 be adopted and S.B. No. 2711, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Slom rose to speak in opposition as follows:

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

“This is the annual ‘take your attorney to work’ bill. It’s a bill that would give the HTA power to hire their own attorneys in addition to the attorney pool that they have with the State Attorney General’s Office. Every year we’ve gone through this. There’s always an example of where there has been a delay in terms of attorney general providing services, so the question to the attorney general was, do they feel that they’re capable of ending these delays and making more judicious decisions and so forth? And the answer was ‘yes.’ And so, instead of going department by department and adding more attorneys, we should put the heat on the attorney general’s office to make sure that they do comply in a timely matter, or in the opposite, we could reduce the attorney general’s staff and then put attorneys in every other department instead.

“Thank you.”

Senator Kim rose to speak in favor of the measure and said:

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

“It’s interesting, Mr. President, because our attorney general last year came before the Committee and said, yes, they’re going to take care of the problems that we’ve had in the past, that they’re going to work in a new timely basis and it shouldn’t take more than a couple of weeks to get approval from an outside attorney for cases that the HTA had regarding special contracts. Well, low and behold, this year in July, HTA sent a letter to the AG’s office asking them for permission once again to hire these contract attorneys. And they waited almost six months, Mr. President. They did not get approval until December 2<sup>nd</sup> from the attorney general, even when the attorney general knew this was an issue, even though the Governor vetoed a measure. They still took six months to get this attorney approved when it was suppose to only take three weeks.

“So, it was on this attorney general’s watch, and when he was confronted with the information, he had no excuse for it. He admitted he had no excuse for it. And so, based on that, I think we need to pass something like this again.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2826 was adopted and S.B. No. 2711, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO THE HAWAII TOURISM AUTHORITY,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2827 (S.B. No. 3043, S.D. 1):

Senator Kokubun moved that Stand. Com. Rep. No. 2827 be adopted and S.B. No. 3043, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Slom rose to speak in opposition as follows:

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

“While I certainly think that we should have more patrols to protect our tourist, I would prefer to see that we do put more of our money into existing law enforcement personnel. And I note that the primary area was Waikiki, although not limited to Waikiki. But, in Waikiki, they even have a special tax assessment district where businesses kick in even more money, in addition to the taxes they pay, for more security.

“So, while it’s a good idea to have more security, I think it should come from existing sources and predominately the HPD. Thank you.”

Senator Kim rose and said:

“Mr. President, can I just insert some remarks into the Journal.”

The Chair having so ordered, Senator Kim’s remarks read as follows:

- “Tourism is a vital part of the economy for the State of Hawaii.
- The Aloha Aina Patrol would establish within the county police departments additional security for our tourists.
- The Aloha Aina Patrol would be beneficial to all counties.
- Aloha Aina Patrol would assure our visitors and residents alike, that they are safe and welcomed at our more popular and highly visited parks and beaches.
- The intent is to have the Aloha Aina Patrol Officers in aloha attire, instead of police uniforms, so that the aloha spirit is stressed.
- These patrols would not only provide additional security, but also serve as ambassadors of Aloha.
- The State of Hawaii has an opportunity right now to become even more desirable as a visitors’ destination. With world events, such as they are, Hawaii is now viewed as a safe vacation destination for those that had previously considered international travel. The creation of the Aloha Aina Patrol would provide additional hospitality and safety for Hawaii’s visitors.
- The importance of this service to Hawaii’s tourist should not be understated.
- The project will provide great benefits to Hawaii’s.
- The presence of the Aloha Aina Patrol members along with the marketing result of visitors interacting with this patrol will provide a great asset for our State’s visitor industry.”



The motion was put by the Chair and carried, Stand. Com. Rep. No. 2827 was adopted and S.B. No. 3043, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AN ALOHA AINA PATROL," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2828 (S.B. No. 3116, S.D. 2):

Senator Kokubun moved that Stand. Com. Rep. No. 2828 be adopted and S.B. No. 3116, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Hemmings rose to speak against the measure as follows:

"Mr. President, I rise to speak against S.B. No. 3116.

"Mr. President, this bill is very well intended and we certainly want to keep our environment clean, but the cruise ship industry has a memorandum of agreement that seems to be working very well with the State of Hawaii. There has been no evidence of the cruise ships having any pollution dumped in our waters, so there's no definitive need.

"I might add that we have a much more serious problem, and there seems to be a double standard, in that the City and County of Honolulu, in the last several weeks due to rain, has been responsible for some very, very serious pollution problems with untreated sewage going into the environment far in excess of what cruise ships could do in a thousand years. Therefore, this bill should really be directed at the City and County of Honolulu and governments who are polluting the environment quite extensively.

"Also, just for the record, because there were some questions regarding it, my friends in Washington, the Environmental Protection Agency, do have the right and do have the mandate to severely fine the county government for their failure to protect the public interest. So, this bill is very well intended, but it's directed at the wrong organization. Therefore, I will be voting 'no.'"

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

"Mr. President, I rise in support with reservations.

"Mr. President, I want to be part of this valuable membership of this Conference Committee, so I'm W/R. Again, the protection of our commercial harbors is in the TMG's purview, and therefore I rise with reservations on this bill.

"Thank you."

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

"Mr. President, I rise in support.

"You know, we've heard all sorts of discussion about this, but the fact of the matter remains that we're dealing with one industry and one issue here, which is the cruise ship regime in Hawaii, which we do not have. We have the Sham Law, which is a memorandum of understanding which many people in the public don't feel provides enough protections for our environment.

"You know, the bill is pretty balanced because we harmonized it with most of the federal laws that apply to it, and we've had long discussions with the EPA regarding this and they've actually asked for advice on how to redraft some federal laws that they're working on. So, it's working both ways and I think it's been very productive.

"Different opponents of this bill have brought up issues along the way, one of which, of course, has been, well, we're dealing with the city and county; we're dealing with other ships, other vessels. And you know what? All of that make a lot of sense. I encourage these people to draft the bills for it and introduce them as part of the legislative package either next year or along the way here, because they're correct. The City and County of Honolulu exists on certain exemptions that allow them to dump a low grade of sewage into the oceans. And the good Senator from Kaneohe has every right to introduce that bill and to draft it, but to date, he has not. So, stop whining about this and introduce the bill to deal with that. That is the way to deal with it.

"The second point, is the issue of other ships, and this is the straw man argument that has been presented throughout – that well, why go after the cruise ships, we have other ships that pollute. Yes, indeed we do. We do have other ships that pollute. But if you look at the numbers, and this is from LRB that did a study for us earlier this summer, a good 80 percent of the pollution that comes out into the oceans here comes from the large cruise ships, just from the sheer size. So, while I agree with the opponents of this particular measure – that there are other ships polluting and that we should go after them as well – we can do so in another measure at another time, but right now it's going after the larger polluters.

"I always believe that an ounce of prevention is much better than a pound of cure. So, others have said that we have to, well, they haven't polluted yet, so why put anything in place? I think that's very uninformed and myopic in view. Because if we take that point of view, we end up with a major problem at some point in time, and people say why didn't you guys do anything to take care of this. Where was the foresight? Where was the vision? Where was the ability and the wherewithal to put something in place?

"So, I ask my colleagues to support this measure. It's quite balanced. It allows the State Department of Health to implement and to monitor many federal laws. That's how the EPA advised us to draft the bill, and that's how it is drafted.

"I also have to point out that we created an incentive program which the EPA liked very much as well. And this incentive program simply says that if you exceed the federal standards, we will reward you by lowering some of the fees that you would have to pay to dock in our facilities. So, we're encouraging higher and cleaner technologies than is required by federal law, and it's purely voluntary for the industry.

"All in all, it's a good bill. I ask for the member's support on this. Thank you."

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

"Mr. President, please note my vote with reservations.

"My major concern is the criminal penalties, which include \$25,000 to \$50,000 per day, as well as prison terms of possibly three years and six years.

"Thank you, Mr. President."

Senator Hogue rose to speak with reservations and stated:

“Mr. President, please note my reservations as well.

“I think, as was noted by some of the testimony in the cruise ship industry, that this bill is well intended. And really, honestly, Senator from Hana, not whining, but you should come out and look at Kailua Bay right now. It’s brown. It just absolutely looks horrible. We’re going to take you up on your offer, and we’re going to see if we can find a title, and we’re going to come through with some sort of an amendment so it will take care of the problems that we have in Kailua Bay, which are a lot worse than what is going on right now with regards to the cruise ships.

“As people have noted to me, this is the worst that they have ever, ever seen. So, I would hope that all the environmental groups and people in the community would get themselves very active. We’ll take you up on your offer; we’ll move something along forward, and we look forward in working with you.

“Thank you.”

Senator Hemmings rose to speak in rebuttal and stated:

“Mr. President, I rise to rebut.

“First of all, I’m not uninformed. I did talk to the EPA in Washington DC, and they’re very alarmed at the sewage spills here in Hawaii, massive sewage spills by the City and County of Honolulu. There are good reasons for it, which I’m very informed on. The City and County of Honolulu, for instance, has spent \$300 million, or thereabouts, in the last five years on vision teams. You might see \$600,000 signs in Nuuanu, while the sewer system is over \$1 billion in disrepair.

“Mr. President, for the record, I’m not myopic. I had laser care autonomy. I can see far into the future, and very well.

“Thirdly, Mr. President, I’ve never been a whiner, and I’ve gotten my lickins sometimes, but I’m willing to stand up and fight for balanced legislation. I think, as I said earlier, that this intent is good, but we really should address the issues which some of the previous speakers brought up. A \$25,000 fine for a company that could dump a small amount of untreated waste in an accident into the ocean pales in comparison to the hundreds of thousands of gallons dumped recently by the City and County of Honolulu.

“I think the good Senator from Kaneohe, my astute colleague who’s also informed and not myopic, has a very good proposal if we amend the appropriate bill to deal with that, and I’m looking forward to working with the good Senator from Hana to take care of this very serious problem in our environment.

“Thank you, Mr. President.”

Senator Hooser rose in support of the measure and said:

“Mr. President, I rise in support.

“This issue is very important to constituents in my community, Mr. President. In my opinion, it’s long overdue. I encourage my colleagues to support the measure and would like to ask that the comments of the senator from Hana be incorporated into the record as if they were my own.”

The Chair so ordered.

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

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

“Mr. President, although much of what we do is not perfect, and neither is this bill, it’s certainly a step in the right direction. I believe that it is a proactive measure. I don’t think any of us want to allow the waters around our islands to get to the point that they would be described as Kaneohe Bay was described from my colleague across the way. This is exactly why we need something like this in place that has some teeth, so that it’s not just an MOU and not just a handshake. I think there need to be some real consequences.

“Thank you, Mr. President.”

Senator English rose to speak in rebuttal and said:

“Mr. President, point in rebuttal.

“I’d like it to be understood that what has happened around this bill has actually been very good, the discussions, because it allowed the Senator from Kaneohe to bring up consistently and constantly his particular issue, which is one that I’m very concerned about because you know we have Kahului Harbor, we have all sorts of other places where sewage is a problem. But, the point that I’m trying to make is that the good Senator should take the initiative, and I’m glad that he will, to put something together, because this has been an ongoing problem. I’ve heard it in Ways and Means, and I’ve heard it on this Floor for a number of years about this particular issue in Kaneohe, and yet the Senator from that district has not drafted anything, not introduced a bill, not put forward the legislation to deal with it.

“So, at this point we have to look for something for them to hitchhike it on. But really, the responsibility lies with that Senator to draft a bill to deal with an issue in his district, which has been long standing. And I really commend him for now taking it up, and you know I’ll help him try and find something to deal with it. But, the cruise ship bill is dealing with cruise ships.

“I have to bring up something else that some others didn’t bring up here but is another major polluter of our waters – and that’s the near-shore vessels – things like I guess what’s commonly called the ‘booze cruises,’ the near-shore tours that go in and out, especially on Maui. And the issue is really one of government. We never provided the pump-out stations at the small boat harbors and at the harbors for them to come in, dock, pump out the sewage. So what did they do? They have to dump it in the waters. The near-shore pollution, at least in Maui County, comes from these people. And you know, they’re aware of it. They’re not sure what to do because we have not put in the pump-out stations.

“So, we have bills moving, and we’ve asked for your support on that as well, to put in these pump-out stations in Maui so that we can help cleanup the near-shore waters as well.

“I’m really, really pleased to see the concern that has come out from other Senators about pollution in general and pollution in our waters, because, Mr. President, if we don’t protect our oceans and our waters, there’s a whole ecosystem that collapses and a whole life system that collapses.

“The people that are in my district, for the most part rural communities, depend on fishing and depend on the livestock out of the ocean, depend on the clean waters so that we have clean food and we have an abundant supply of food. In my home villages of Hamoa and Hana the people still do hukilau and we still do community fishing, where the whole community, if

there's a school of fish out there, we're all going to get together and go out and catch that fish. And then we mahele the fish and it gets delivered to all the old people that can't come down to help take out the fish. It gets distributed amongst the whole town. But, if the fishing stocks disappear because of pollution in the water, that lifestyle will disappear as well.

"So, I want to thank all of those Senators that have raised issues around it and I put out this challenge to them – draft the measures that will take care of those issues. Put them forward, if not in this Session, because now we have to look for bills to hitchhike them on to, in the next Session, and let's deal with a comprehensive package for clean waters in Hawaii.

"Thank you, Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2828 was adopted and S.B. No. 3116, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CRUISE SHIPS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hemmings, Slom, Trimble). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2829 (S.B. No. 2063, S.D. 2):

Senator Kokubun moved that Stand. Com. Rep. No. 2829 be adopted and S.B. No. 2063, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Trimble rose to oppose the measure and said:

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

"If students intentionally destroy school property, equipment, and books, there is already a process – they shouldn't be in school. The wording in this bill, the change in the wording of this bill, is too broad. It also does not apply to other Department of Education employees.

"Our textbooks are old – a student picks them up; the book may fall apart. Is he going to be asked to pay for that book? I think that what is going to happen if we pass this bill and it's actually used, is that we are going to encourage children to point fingers at other children and we'll create an environment that would not constitute an appropriate learning environment.

"Thank you, Mr. President, I'll be voting against this measure."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2829 was adopted and S.B. No. 2063, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Trimble). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2830 (S.B. No. 2066, S.D. 2):

Senator Kokubun moved that Stand. Com. Rep. No. 2830 be adopted and S.B. No. 2066, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Slom rose to speak in opposition to the measure and stated:

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

"The title says it all. It is creating the Hawaii Medical Education Special Fund. I'll be voting 'no.'

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2830 was adopted and S.B. No. 2066, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII MEDICAL EDUCATION SPECIAL FUND," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 20. Noes, 3 (Hemmings, Slom, Trimble). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2833 (S.B. No. 2428, S.D. 2):

On motion by Senator Kokubun, seconded by Senator Aduja and carried, Stand. Com. Rep. No. 2833 was adopted and S.B. No. 2428, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2834 (S.B. No. 2789, S.D. 1):

On motion by Senator Kokubun, seconded by Senator Aduja and carried, Stand. Com. Rep. No. 2834 was adopted and S.B. No. 2789, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TEACHER SALARIES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2836 (S.B. No. 3020):

Senator Kokubun moved that Stand. Com. Rep. No. 2836 be adopted and S.B. No. 3020, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Trimble rose to speak against the measure and said:

"Mr. President, I'll be voting against this issue because we have yet another bill that is not in the Department of Education's budget.

"Thank you, Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2836 was adopted and S.B. No. 3020, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 2 (Slom, Trimble). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2837 (S.B. No. 1556, S.D. 2):

On motion by Senator Kokubun, seconded by Senator Aduja and carried, Stand. Com. Rep. No. 2837 was adopted and S.B. No. 1556, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO COASTAL ZONE MANAGEMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2838 (S.B. No. 2097, S.D. 1):

Senator Kokubun moved that Stand. Com. Rep. No. 2838 be adopted and S.B. No. 2097, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Trimble rose to speak in opposition to the measure and stated:

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

"This bill apparently seems to be assuming a conclusion. There is no need for this Legislature to fix rates or fees at this moment. We can always have that policy, and if we find that the Department of Land and Natural Resources somehow seeks to do in our constituents, we can go back and fix it. But, I don't think that we should be tying their hands and fixing rates at this particular time.

"Thank you."

Senator Ihara requested his vote be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2838 was adopted and S.B. No. 2097, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BOATING," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2839 (S.B. No. 2125, S.D. 1):

Senator Kokubun moved that Stand. Com. Rep. No. 2839 be adopted and S.B. No. 2125, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Slom rose to speak in opposition to the measure and stated:

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

"The bill increases the conveyance tax again. We just increased the conveyance tax a couple of years ago. And as I pointed out in Committee, it affects local residents who are buying houses and transferring fees. We note that the median price of a house on Oahu now is \$410,000. It's gone up a lot more. But in addition, a lot of my colleagues were not aware that when you record any kind of conveyance, including a rental agreement, a lease, whether it be a residential or commercial, you're also paying this additional fee.

"Thank you."

Senator Hooser rose in support of the measure and said:

"Mr. President, I rise support.

"I just want to point out for the record that this bill does not raise conveyance taxes for homes purchased in the price range of less than \$500,000. So, anyone concerned about local residents' taxes going up, again, the vast, vast, vast majority of local residents cannot afford homes, period, let alone homes in excess of \$500,000. So, this does not affect the vast majority of people here. It affects primarily those in the higher income ranges.

"In my community, Mr. President, those homes are taking up valuable land that would otherwise be used for local residents. There's a project we have now that's building over 1,500 homes on land that was priorly designated for residential use. These will be residences, but the starting prices are around \$1 million. They will be used primarily for vacation rentals. This bill provides a small measure of support that some of the money generated from these will go into the housing rental trust fund and be used for environmental protection purposes, and therefore I stand in support.

"Thank you."

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

"Mr. President, I also rise in support.

"I would like to state for the record that a couple of weeks ago when the Mayor had his state of the county address on Maui, it was noted that 98 percent of all real estate purchases over \$600,000 were made by nonresidents. I think, again, that this measure isn't intended to affect the residents of our state.

"Thank you."

Senator Hogue rose to oppose the measure and said:

"Mr. President, I rise in opposition.

"I just wanted to point out that although I live in a middle-income or have lived in a middle-income neighborhood in Enchanted Lake in Kailua, that the home prices are selling for now in excess of \$600,000. These are local residents buying homes to live here, okay. We've now affected them.

"So the intent of this, which I'm not for anyway, is to try to get these nonresidents, but there's all this talk about middle class. Well, I live in a middle-class neighbor and the prices are that high. So you've just included us.

"Thank you."

Senator Ige rose and said:

"Mr. President, I just would like to note my reservations. Thank you."

Senator Aduja requested her vote be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2839 was adopted and S.B. No. 2125, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONVEYANCE TAX," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2840 (S.B. No. 2516, S.D. 2):

On motion by Senator Kokubun, seconded by Senator Aduja and carried, Stand. Com. Rep. No. 2840 was adopted and S.B. No. 2516, S.D. 2, entitled: "A BILL FOR AN ACT AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS AND MAKING AN APPROPRIATION FOR THE EXPANSION OF THE KAHUKU AGRICULTURAL PARK," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, none. Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2843 (S.B. No. 2573, S.D. 2):

Senator Kokubun moved that Stand. Com. Rep. No. 2843 be adopted and S.B. No. 2573, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Trimble rose to oppose the measure and said:

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

“We have again another tax credit. All of these tax credits are for worthy causes. But perhaps if we had fewer tax credits, we’d be able to raise the standard deduction and the personal exemption for all taxpayers in Hawaii, which would benefit most of those at the lowest income streams. And again, for that reason, I have to oppose this tax credit.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2843 was adopted and S.B. No. 2573, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO CAREGIVER TAX CREDIT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 21. Noes, 1 (Trimble). Excused, 3 (Ige, Taniguchi, Whalen).

Stand. Com. Rep. No. 2844 (S.B. No. 2654, S.D. 2):

Senator Kokubun moved that Stand. Com. Rep. No. 2844 be adopted and S.B. No. 2654, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Slom rose to speak in opposition to the measure and stated:

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

“Well, I’m going to do the politically incorrect thing. I’m going to vote against this bill and the next bill as well, not because I’m not concerned about immigrants, not concerned about their health, or their pregnancy, but I’m getting a little weary. We’re talking about the health concerns of our residents and then we here from various immigrant groups that they came in here seeking employment opportunities, which is fine, and healthcare. If we’re not going to prioritize where that healthcare is going to go and we’re going to continue to bloat our health care costs, we’re going to have continuing problems along this way.

“But in addition to that, we’re putting up a sign saying ‘come here get your free healthcare’ whether you be in a union environment or you be in an immigrant environment. The poor people that live here that have to pay and subsidize everyone else, I think, are getting an unfair burden.

“So, it’s not to single out any group, but it is to say that this kind of legislation, in fact, does just that – it singles out groups for special care. So I’m going to be voting ‘no.’

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2844 was adopted and S.B. No. 2654, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO HEALTH CARE,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Slom). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2845 (S.B. No. 2936, S.D. 2):

On motion by Senator Kokubun, seconded by Senator Aduja and carried, Stand. Com. Rep. No. 2845 was adopted and S.B. No. 2936, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO MEDICAL ASSISTANCE FOR PREGNANT LEGAL IMMIGRANTS,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Slom). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2846 (S.B. No. 607, S.D. 1):

Senator Kokubun moved that Stand. Com. Rep. No. 2846 be adopted and S.B. No. 607, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Trimble rose to speak in opposition as follows:

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

“There are no limits to our imagination of how we can create new and different tax credits, but it represents a new and different tax credit, and it is going to be paid for by everybody else in Hawaii in the form of higher taxes than they would have in its absence.

“Thank you.”

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2846 was adopted and S.B. No. 607, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO QUALIFIED IMPROVEMENT TAX CREDIT,” having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Trimble). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2848 (S.B. No. 2641, S.D. 2):

Senator Kokubun moved that Stand. Com. Rep. No. 2848 be adopted and S.B. No. 2641, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Kawamoto rose to oppose the measure and said:

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

“I don’t know how to get the attention of this Body, but, Mr. President, maybe I can cite my wife. She belongs to a group of ladies that meet twice a week and they make quilts, baby quilts – 30-plus quilts a month. This has been going on for four years. You times 30, times 12, times 4 . . . that’s a lot of quilts. And the demand is still greater. All these quilts go to drug babies, babies that come from drug parents and this is enormous.

“Again, the accessibility of drugs may be legal or illegal. Medical marijuana is legal in this state. But, marijuana is illegal federally. The departments, you know, the Department of Health opposed this bill. Public Safety opposed the bill. Public Safety operates 24/7 and has the knowledge of controlling this illegal drug. The Department of Health doesn’t have the personnel or maybe the equipment or the surveillance capability to control this illegal marijuana.

“We talk about transportation, about duplication of government, parks duplication of government. And my

colleagues on the other side of the aisle always say we need to stop duplication. We don't need to grow government. For once, I believe they're right, because that's what is going to happen. The Department of Health is going to come in and say we need personnel, we need expertise, like they do at public safety, which does this work of the surveillance of illegal drugs. They're the same people, Mr. President. And yet we say, we can do this.

"One of the testifiers at our hearing said the State of Oregon, I think it was the State of Oregon, I may be mistaken, but one of those states out there have 150 requests per day – 150 requests per day. I remember, like my good colleague and classmate told me, that it wasn't in 1998 but in the year 2000 when we passed this medical marijuana. I remember sitting right there, and I remember the other Senator sitting down there, a proponent of medical marijuana. The concern was to provide this medical marijuana for the very sick – those in hospice – maybe 200 to 300 patients.

"Mr. President, today we already have 1,000 certificates out there – 1,000 users of this thing. Who's to say that we're going to have the expertise in the Department of Health to control this substance to what is rightfully so to control and have compassion for the very sick? That's the reason why we passed that bill.

"Mr. President, two weeks ago, I went to Honowai Elementary School for 'Drug-Free Day.' I wore red – red tie, red ribbon – and support drug free. In my speech, I spoke on behalf of the Waipahu Legislators. I said, we are going to do our best to again curtail the drug activity in our communities. We marched around the block telling people that we are going to do this. And yet, we provide the capability or the management of medical marijuana, which is still an illegal drug, to a department that don't want it.

"I'm concerned. I'm concerned, again, about the accessibility of these things. I'm concerned about the kids running around the house and with this guy in so much pain that he needs to have this medical marijuana to reduce that pain. Who's going to tell those kids that you cannot run around the house, you've got to go outside the house now because we're smoking marijuana?

"It's not a coincidence that the County of Hawaii has over 50 percent of these certificates and they have only 15 percent of the state's population. It's not a coincidence that last year we had to give federal dollars in the millions to help them with the ice program in Hawaii County. It's not a coincidence that Mr. Ed Kubo indicated to us throughout all the hearings on ice and has said the leading drug to ice is marijuana.

"Mr. President, this is a bad bill. This is a bad bill. If you want to control illegal drugs in the State of Hawaii, we start with this bill.

"Thank you."

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

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

"I have a great deal of respect for my colleague, my classmate, and his steady focus and consistency on this bill. And I do recall, Mr. President, that when we had the original debate on this bill, it lasted nearly four hours, and the final vote was a vote of 13 to 12. We didn't have any problem like that today. There were no bills that anybody felt that were that

compelling that we had to have even a close vote on any of them. So I remember those days quite a bit.

"But I think we're losing track of the focus, because I, too, support all of the anti-drug bills. I support more enforcement. We're not talking about recreational drug use. We're not talking about legalizing drugs here. We're not talking about loosing drugs on the school campus or anything else. What we have talked about from the outset was pain management and an alternative for those people that needed something that they couldn't get with other drugs, legal or illegal. And that's what the debate was about then; that's what the debate is about now.

"In terms of controls, of course the use and the certificates are already controlled. So that really is not an issue. If, however, there are abuses – if people on the Big Island are in more pain than elsewhere – then maybe we can take a look at that. But let's make sure what we're talking about here. We are talking about pain management. We are not talking about recreational drugs.

"Now, just across the way, Mr. President, that other Chamber, they're talking right now about how to put people to death, how they can help them along on that final ride there in a very inexpensive way. They're not talking about pain management. They're saying, if somebody wants to die, let's get a physician and help them do that. We're not doing that in this Body, yet, though the Session is not over.

"It's interesting that that 13 to 12 vote has seemed to meld away, because I think most colleagues believe that there is a problem here, that medical marijuana has been beneficial to a number of people, and that while there may be abuses, the idea is to fix the abuses and not to throw out this part of the law. And who better to administer the law than the Department of Health?

"Certainly, my colleague is correct, that their objections to this bill were based on staffing requirements and monetary resources. Don't we hear that all the time, Mr. President? We even hear it from the HPD. They don't want to take speeding cars because they say they have no place to put them. It's not that they are against getting speeding cars off the road. It's not that the Department of Health is against taking care of these certificates and this enforcement.

"And with all of the discussion that's been going on for the last couple of months here about drug use of any kind being a medical rather than a law enforcement problem, I would think that all of my colleagues would welcome this transfer.

"And so, while I continue to say I don't seek the position of poster boy for drugs of any kind, of any use, I believe that this is the right thing to do, and that's why I support this bill today and urge my colleagues to do likewise.

"Thank you."

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

"Mr. President, I rise in support with reservations.

"I heard good comments by both previous speakers, although there is a concern of are we getting too lax in terms of the drug control side? Certainly, there is compassion for the real serious who really need this, but it's a matter that we should be very concerned about."

Senator Baker rose in support of the measure and said:

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

“Mr. President, I just want to associate myself with the supportive remarks of my colleague from across the way, the good Senator from Hawaii Kai. I almost never thought I would have that opportunity, and I’m so pleased that I do.

“I have some remarks in support of this measure that I’d like inserted into the Journal, specifically, the testimony that was presented to us by the Drug Policy Action Group.

“I would just note for my colleagues that of the seven states that have medical marijuana like Hawaii does, six of them are in the Department of Health and one, Nevada, is in the Department of Agriculture.

“So, I think this is an important bill because the Legislature in 2000 had significant foresight in looking at ways to manage pain and relieve suffering of individuals. But, yes, I think the administrative body to house this program really ought to be the Department of Health and not PSD.

“Thank you.”

The Chair having so ordered, Senator Baker’s insert of the testimony presented by the Drug Policy Action Group reads as follows:

“TO: SENATE COMMITTEES ON HEALTH & JUDICIARY & HAWAIIAN AFFAIRS

FROM: PAMELA LICHTY, PRESIDENT

RE: SB 2641 RELATING TO CONTROLLED SUBSTANCES – IN SUPPORT

DATE: FEBRUARY 12, 2004

The Drug Policy Action Group strongly supports this bill which would move the state’s medical marijuana program from the Department of Public Safety to the Department of Health and make several other changes to the law.

As one of the chief proponents of the program, and as publishers of a booklet on the law, we receive many comments and inquiries from patients, prospective patients, physicians and care-givers. The Drug Policy Forum has attempted to represent patient concerns since the Act was passed and signed into law in 2000. The changes proposed in this measure were developed in response to the comments we have heard from these various parties over the program’s existence of the last 3 years.

The consensus among these parties is that it is extremely intimidating to have the program housed in the Narcotics Enforcement Division (NED) of the Department of Public Safety. Terri Hurst, an MSW candidate at the University of Hawai’i, is conducting research as a DPFH intern this year in which she is interviewing a sample of physicians and medical marijuana patients. Among other things, she is seeking their input into how the program is working, its effect on the patients’ quality of life, etc. Virtually everyone she speaks with has a strong preference that the program be moved to DOH.

We strongly believe that placement of the medical marijuana program in a law enforcement agency is antithetical to the legislative intent of the measure when it was enacted in 2000. The program was conceived out of compassion for seriously ill people and its placement in NED, a politically necessary compromise at the time, was in retrospect a mistake. Of the seven other states that allow the use of medical marijuana, patient registration, if required, is done through the Department

of Health (with the exception of Nevada where the program registry is with the Department of Agriculture.) There is no other state where the registry is with a law enforcement agency. We contend that the use of medical marijuana is properly regarded as a health issue, not simply as an exception to our state laws on controlled substances.

The other changes proposed in this measure were likewise developed in response to the comments of both patients and physicians. These include expanding the number of patients that a caregiver can take care of from one to three. In many instances several certified patients live in an apartment complex or close to each other, but do not have the space or the capacity to cultivate their own supply of medicinal marijuana. And knowledgeable and willing caregivers, for these seriously ill patients are not always available. There is also a security rationale for permitting this 1:3 ratio. We all want to keep the supply of marijuana grown for medical use, away from our youth, and prevent it from being diverted onto the black market. If there are four people involved in keeping tabs on a specific supply, then one of them is more likely to be available to keep an eye on the crop so that it is not stolen or otherwise diverted.

The original legislation had a provision that the Department of Health could develop a process whereby new conditions could be added to the list of qualifying conditions, as new research warranted - pursuant to a petition by a patient or physician. This has not taken place. There is new language in this measure which sets up a procedure for doing so. It is modeled on similar provisions in Washington and Oregon.

In section 3 of the bill the distinction between ‘mature’ and ‘immature’ plants is eliminated. This is a confusing requirement which puts law enforcement officers in the business of acting as botanists to make this assessment. There have been very few problems arising regarding law enforcement and patients who are certified under this program. But in one high profile case, which is now being litigated, this mature/immature distinction was the bone of contention. The overall limits specifying how much marijuana a patient may have on hand have not been amended.

The program’s current forms, in our view, contain unnecessarily threatening language that discourages all but the most determined applicants. We believe that by making the program less intimidating and more user friendly (for example by posting application forms and information on the departmental website as the Department of Health in Oregon does) the state could increase access for seriously ill patients who may be reluctant to register with NED. NED does not maintain a website on the program nor have any interface with patient applicants except for an intimidating written form which emphasizes the risks to the patient or caregiver.

Broadening outreach in this manner could prove especially useful in reaching medically underserved populations or groups like Native Hawaiians who might have reservations about dealing with a law enforcement agency, and yet may be inclined to try an herbal medication more akin to traditional healing therapies. The Department of Health would be better suited to make such changes than the Department of Public Safety.

In addition NED prevents patients from personally obtaining applications for certification whereas other states (e.g. Oregon and Colorado) accept forms from patients themselves (the legitimacy of the physicians’ recommendations are then checked by the Department of Health.)

We have also been made aware that the current program’s requirement that the physician specify which of the qualifying conditions the patient has, may be in conflict with our state’s

privacy laws surrounding HIV/AIDS status and the disclosure of those conditions. Therefore Section 6 of this measure amends this provision to ensure the confidentiality of the diagnosis.

In closing, we want to acknowledge the Legislature's compassion and foresightfulness in passing the enabling legislation for the medical marijuana program in 2000. The more than one thousand patients who are certified under the program express their thanks every day.

We hope the Committees will see fit to amend this historic law now that some time has passed and we can see what is working and what is not. We urge you to pass this measure today as the first step towards improving this historic public health measure.

Thank you for the opportunity to testify."

At 5:14 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 5:15 o'clock p.m.

Senator Inouye requested her vote be cast "aye, with reservations," and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2848 was adopted and S.B. No. 2641, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CONTROLLED SUBSTANCES," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Kawamoto). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2849 (S.B. No. 2690, S.D. 2):

Senator Kokubun moved that Stand. Com. Rep. No. 2849 be adopted and S.B. No. 2690, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Slom rose to speak in opposition as follows:

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

"I certainly support the emergency medical services part of this bill, and since we've had several other bills, maybe it is time that we really take a look at the relationship between the state and the counties in this area.

"The first thing is, we want to make sure that people are covered and that the ambulance services and medical services are provided. However, this bill increases the motor vehicle registration fee, again, at the state level by \$10 and also creates a special fund, and therefore, I can't support it on those bases. But as I said, I'd be very happy to work with any of those people that want to iron out the differences and the problems between state and county distribution of medical services.

"Thank you."

Senators 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, Stand. Com. Rep. No. 2849 was adopted and S.B. No. 2690, S.D. 2, 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, 19. Noes, 4 (Hemmings, Hogue, Slom, Trimble). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2850 (S.B. No. 3024, S.D. 2):

Senator Kokubun moved that Stand. Com. Rep. No. 2850 be adopted and S.B. No. 3024, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Trimble rose to speak in opposition to the measure and stated:

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

"There is no free lunch – risk is being assumed by someone. It's either being assumed now, or it's being assumed later.

"This bill would create a tax credit for some future time. I agree that we need, as a society, to generate money for venture capital. Instead of playing a shell game with risk, why don't we take the direct approach? The Employee Retirement System supposedly is already investing some percent of their money, I think it is 8 percent, in funds of which are invested in venture capital firms. However, none of those fund managers make venture capital loans to companies in Hawaii.

"I think the direct approach is to put pressure on the Employee Retirement System to have confidence in the future of our state and to suggest to their fund managers that they look for investment opportunities in Hawaii, and if those fund managers are incapable of doing it, that they find fund managers who are.

"Thank you, Mr. President."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2850 was adopted and S.B. No. 3024, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CAPITAL FORMATION," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, 1 (Trimble). Excused, 2 (Taniguchi, Whalen).

Stand. Com. Rep. No. 2851 (S.B. No. 214, S.D. 3):

Senator Kokubun moved that Stand. Com. Rep. No. 2851 be adopted and S.B. No. 214, S.D. 3, having been read throughout, pass Third Reading, seconded by Senator Aduja.

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

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

"I'm all for programs of education and certainly programs of workforce development. This is a specific program directed to Leeward Community College to help assimilate members of the Freely Associated States, namely the Marshallese, Palauan, and Micronesian communities at large.

"We heard testimony that they, in fact, are very special and very unique and different from other immigrant communities. I think that's part of the problem, and that's what I was trying to get at in one of the earlier bills – and that is, we're dividing people up in these different categories rather than putting them together and trying to work on education and workforce development that's going to help everybody.



"I guess I'm from the old school, but I think that all the immigrants that have come before us have had the same kinds of problems of assimilation and somehow they've done it. What we're doing now is, as I say, we're separating them out and giving specific appropriations.

"In addition to this, I do fully feel that it is the federal government's requirement because of the compact that they made with these areas to help. So, in terms of appropriated amounts from the state, there should be very little, if any at all, and we should redouble our efforts to get federal assistance in this matter.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2851 was adopted and S.B. No. 214, S.D. 3, entitled: "A BILL FOR AN ACT RELATING TO WORKFORCE DEVELOPMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 22. Noes, none. Excused, 3 (Ige, Taniguchi, Whalen).

Stand. Com. Rep. No. 2852 (S.B. No. 2002, S.D. 1):

Senator Kokubun moved that Stand. Com. Rep. No. 2852 be adopted and S.B. No. 2002, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Aduja.

Senator Trimble rose to speak in opposition as follows:

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

"Since this is the last one we have this month on retirement, I wanted to reflect for a moment my experience as a public employee. I remember that my colleagues used to spend enormous amounts of time planning what their lunch for the day was going to be. I also knew of many other of my colleagues that were counting the number of days until they retired. What I did not expect and I didn't anticipate is the number of state employees that are continually seeking to readjust their employment, the employment criteria, and their employment benefits to their selective benefit.

"It is my preference, looking forward to next year, that we direct the Employee Retirement System to come up with a plan that has as many options as government employees might want to use and make them conveyable so that any time an employee wanted to have a different retirement plan, he could do so without going to his legislator.

"I think enormous amounts of time are being spent. The employees of the Employee Retirement System are being misused by constantly having to figure out the cost of new and different systems. I also note that in this particular case, we combined about two or three different groups together into one bill. While I might have supported one, I didn't support the other.

"I will be voting against this measure. Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2852 was adopted and S.B. No. 2002, S.D. 1, 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, 1 (Trimble). Excused, 3 (Ige, Taniguchi, Whalen).

Stand. Com. Rep. No. 2859 (S.B. No. 3228, S.D. 2):

Senator Kokubun moved that Stand. Com. Rep. No. 2859 be adopted and S.B. No. 3228, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Aduja.

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

"Mr. President, I rise in support of this bill with reservations.

"Mr. President, my concern is a lack of a definition for natural disaster emergency. There is still no dollar amount of the damages mentioned or any other criteria in the bill. Without a definition, I'm concerned that the emergency and budget reserve fund may be unnecessarily depleted. For example, if there are five disasters this year of the natural type, the bill could reduce the rainy day fund by about 50 percent. I also note that for each natural disaster, 10 percent of whatever monies that are in the fund at that moment may be removed and expended by the Governor. And this does not include any amounts of legislative appropriations that the Governor has not yet released.

"I hope, Mr. President, that these concerns are addressed in Conference Committee should this bill hopefully get there.

"Thank you."

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2859 was adopted and S.B. No. 3228, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY RELIEF FOR NATURAL DISASTERS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 19. Noes, 3 (Hogue, Slom, Trimble). Excused, 3 (Ige, Taniguchi, Whalen).

Stand. Com. Rep. No. 2860 (S.B. No. 3193, S.D. 2):

Senator Kokubun moved that Stand. Com. Rep. No. 2860 be adopted and S.B. No. 3193, S.D. 2, having been read throughout, pass Third Reading, seconded by Senator Aduja.

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

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

"This bill is not relating to consumers. This bill is relating to price fixing and anti-competitive market. This is the so-called gas cap bill which was passed a couple of years ago, but the proponents did not have the courage to put the bill into effect at that time, because had they done so, we would have seen that our cost of gasoline in Hawaii would have risen above the West Coast index that was used in the original bill.

"Now we come back with a tinkered version of this measure, and we're going to use a different kind of index, but the object is the same - we're going to be the state that controls prices. We're going to be the state that tells the refiners and the wholesalers what to do. A new wrinkle on the current version of the bill is, however, there are no price controls on the retailers. So one might think or one might ask the question, how is that going to keep prices down?

"The larger question is, what it does for our image as a business or investment place. And the fact is that it still is going to have a great deal of pain for the neighbor island independent dealers. Maybe that's why they need more medical

marijuana over there, I'm not sure. In any event, what this does is to guarantee that our prices will always remain high, if not the highest, because right now, Mr. President, as most of my colleagues know, we've slipped to number two, behind California. And if we go ahead with this insane legislation, we will be able to recapture the number one spot, not because of market forces, but because of what has happened in this Legislative Body.

"Are gasoline prices high? You bet! Are they really high and cause us a great deal of problems? You bet! Have they been high for a long time? Yes, they have. But as my good colleague from Kailua likes to point out, so have Wheaties. And today we discussed housing prices, and we discussed health prices. So actually, if we're really going to help the consumers, I guess what we have to do is try to price fix all of these commodities, because if you look at the differences that have occurred over the last 10 years on a percent basis, gasoline falls way behind some of these other commodities. And they're still falling behind.

"Let's wake up. Let's look at what's happening across the nation. The prices are going up 40, 50, 60 cents per gallon in a very short period of time. That's why California was able to go ahead of us. And the reason they are is because of the problems with the lack of refinery capability, taxes, regulations, and environmental handicaps that have been placed on this industry for years.

"In addition to all that, this Body, the Majority Party of this Body, had helped select a consultant and a study to be done a couple of years ago. It was your decision, not ours. And the decision was for Stillwater and Associates to do a study. The study came back and, oh gee, it didn't have the kinds of recommendations that the supporters thought that they would get and what they wanted, so they threw out the study. It's only another couple hundred thousand dollars that we've wasted here.

"If you think that this is going to help the consumers, if you think this is going to help the small independent businesses, if you think this is going to lower the cost of gasoline on a permanent basis, you are incorrect.

"The other argument that had been given, for years now, was that one of the refiners is making so much money – obscene profits, I think, have been used many, many times – that we've got to stop that from happening. If in fact that were true – and it is not – but if in fact that were true, we would find people rushing, rushing to fill the needs in this marketplace. But we don't. We don't see it because that's another part of the problem – and that is our geographical location, our small population, our separation between counties and so forth.

"So, all in all, this is a bad bill. It was bad when it was drafted. It's bad now, and it's fooling the public if we say that we're going to help them and lower their prices. You want to lower prices, drive over to Costco. It's \$1.84 a gallon right now. Or right up the street on Dillingham, Tony's, the independent service station, it's \$1.89 a gallon. Or if you really want to help the consumers, then drop the fuel tax, which at 56 cents combined is the highest fuel tax in the nation.

"This is a bad bill and has nothing to do with helping consumers! Thank you, Mr. President."

Senator Hemmings rose to speak against the measure and said:

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

"In addressing this legislation, Mr. President and colleagues, I'd like to say, first and foremost, that the good news about this bill is it indeed validates what we said previously about the alleged gas cap legislation. This is a tremendous retreat from the original bill that was passed, but it is incredibly – and I can't use this word so I'll use another one . . . I can't use the word disingenuous (laughter) – vexatious in that:

1. It doesn't cap consumer prices. It caps wholesale prices. So this bill is indeed a lie.
2. The good Senator from Hawaii Kai enunciated what we have said all along – that most costs here in Hawaii are extensively high.

The record should also reflect that Judge Mollway in her findings on the divorce law, regarding gas stations, one of the findings clearly said that gas prices are no higher than most other consumer products in Hawaii and many indeed, in fact, are much higher. So there's no justification for capping gas prices, which leads to the question, why? Well, I think those of us who have been around for a while know why. This is a political bill and it is designed to curry favor with people who are being misled on the need for this bill and, more importantly, are being tremendously misled on the impact of this bill.

"Mr. President, you and the Chairman of the Judiciary Committee and others did receive this morning a letter from the attorney general that validates what Judge Mollway said regarding the divorce law and capping lease rents by the refineries. This is a wrongful taking. It's right in Article V of the Bill of Rights. It says 'nor shall private property be taken for public use without just compensation.'

"Also, it's a wrongful taking because there's no guarantee that capping wholesale prices are indeed going to be passed on to the consumers – something that Judge Mollway also reiterated and also something that you know via the attorney general's letter to us, which you are in receipt of.

"Additionally, the price could be confiscatory because it can get so low that the wholesale dealer cannot realize a reasonable profit on the gas. It's beyond the wholesaler's control.

"Mr. President and colleagues, this bill is absolutely incredible that you would have the gall to bring it to the Floor for a vote. Number one, it completely validates our 'no' votes against the original legislation that allegedly was a gas cap. But more importantly, you're bringing to the Floor a bill that most everybody knows is unconstitutional. And I might add, when it was discussed to separate the retail price from the wholesale price and just cap the wholesale price, even former Attorney General Earl Anzai said it was unconstitutional.

"So, what you're doing today, if you pass this bill, is you're passing an unconstitutional piece of legislation. And I'm going to reserve my rights guaranteed to me by the Chairman of the Ways and Means Committee under the freedom of speech of the United States Constitution, to say that this is more of a political ploy to fool the people of Hawaii than it is good legislation to protect them as consumers. Therefore, I urge – I urge – the Majority Party to vote this bill down or recommit it. It is unconstitutional. It is unnecessary. And it is a falsehood.

"Thank you, Mr. President."

Senator Menor rose to speak in favor of the measure as follows:

"Mr. President, I rise to speak in favor of S.B. No. 3193, S.D. 2.

“Mr. President, as you know, the purpose of this measure is to amend certain provisions of Act 77, which was passed by the Legislature in 2002, relating to the imposition of price caps on the sale of gasoline in the state. The amendments to this bill or to Act 77, as contained in this bill, are discussed in the committee report that is attached to this bill. So, in the interest of moving this debate along, I’m not going to go into any detail regarding those particular amendments.

“Mr. President, as I’ve stated on numerous occasions, I believe that Hawaii’s gasoline consumers continue to pay the highest gasoline prices in the country, without acceptable justification. We need to bring meaningful and effective relief to Hawaii’s consumers from high gasoline prices, and I believe that this measure will further that objective.

“Now, Mr. President, I recognize that there are critics of this bill, and of course they include several of my colleagues from across the aisle, and they’ve made some comments to which I strongly disagree. First of all, I think that the comments that have been made by the Minority Leader trying to attribute a political motivation to this bill is really unfortunate because of the fact that by doing so, I think that he himself is injecting partisan politics into this discussion about a very important issue. And I view this issue, Mr. President, not as a partisan issue, but rather as a consumer issue, because the fact is that high gasoline prices affect all consumers irrespective of their party affiliations and backgrounds. So I think that the previous speaker has done a real disservice to the people of Hawaii by injecting partisan politics into this debate when instead we ought to be focusing on the merits of this legislation.

“Now, focusing on the merits, I have problems with the arguments that have been raised thus far because I believe that they continue to perpetuate certain myths and fallacies. First of all, the critics of the measure are saying that the bill has been weakened because we’ve eliminated the retail price cap. I think it really is interesting that the opponents of Act 77 opposed that particular law because it contained a retail price cap. And now, they continue opposing this particular legislation that’s before us because it eliminates the retail price cap. I see an inconsistency in their argument and it leads me to believe that the opponents of this measure will try to find any fault in an attempt to derail this important and badly needed consumer legislation.

“Moreover, I’d like to say that I definitely support the amendment that we’ve made to eliminate the retail price cap because of the fact that it narrowly focuses this measure on the area where the problem really lies – which is the lack of competition on the wholesale level.

“Another myth or fallacy that the critics of this measure continue to assert is that Hawaii’s gasoline prices are set in a free competitive market. Mr. President, this argument is absolutely ludicrous and ignores reality. For clarification, I wanted to offer the following points: first of all, the attorney general’s antitrust investigation several years ago demonstrated that the gasoline market in Hawaii is dominated by a non-competitive oligopoly. Major oil producers in this state are able to extract and realize profit margins on wholesale prices that are significantly higher than those on the mainland. And the reason why they can, Mr. President, is because of the market power that they exercise.

“Now, in support of this contention I sight a statement made by an attorney, Maxwell Blecher, who gave an opening statement on behalf of all of the oil companies in the state’s antitrust litigation. As an oil company attorney, Mr. Blecher stated, quote, ‘Once you decide it’s an oligopoly, you’ve got an

explanation for the phenomenon of the high prices, the high margins, the high profits, the lack of vigorous price competition. That explains it all,’ close quote. Again, that statement was made by the oil company’s attorney.

“Even the Stillwater report, upon which the critics of Act 77 have relied, made the same finding. That’s why I think the previous speakers need to read the Stillwater report more carefully. For example, the report begins with the conclusion that the, quote, ‘high profitability of Hawaii’s gasoline market, relative to other markets, is indicative of the use of market power in an oligopoly.’ In addition, on page 61 of the report, Stillwater admits that higher prices on the neighbor islands, such as Maui, are a result of monopoly power. These findings, Mr. President, including the findings of the state’s antitrust investigation are supported by a considerable amount of evidence and expert testimony that were generated in the antitrust lawsuit.

“I believe that all of these findings provide a strong indication that Hawaii’s oil producers are earning huge profit margins relative to what their mainland counterparts are earning. Therefore, a key objective of this price cap legislation is to try to moderate these excessive profits as a way of assuring fairer and more reasonable prices for Hawaii’s consumers.

“Now, another myth that the law’s opponents continue to perpetuate is that Hawaii’s gasoline prices are the highest in the nation because of costs and taxes. These myths ignore the indisputable evidence generated in the attorney general’s investigation, which demonstrate that excessive profit margin, and not taxes and costs, are the primary drivers behind the high prices that Hawaii’s consumers are now having to pay. In fact, the attorney general’s investigation indicated that it actually costs less to make gasoline in Hawaii than in comparable mainland markets. And it should be emphasized that the numbers used by the state’s attorney general’s office in their litigation where after tax, and they show consistent super contempt competitive profits on consumer gasoline in Hawaii on an after tax basis.

“Moreover, it only costs about 4 cents per gallon to ship crude oil into Hawaii and about 3 cents per gallon to transport and ship refined gasoline to the neighbor islands. Therefore, it’s clear that the shipping costs that have often been referred to by the critics as the boogiemans, don’t explain the high prices on Oahu, and the exorbitant prices that are being charged on the neighbor islands.

“Moreover, there is data to indicate that Hawaii’s gas prices would still be higher than mainland prices, even if you factor in Hawaii’s higher business costs and taxes. For example, industry analysts have indicated that Hawaii’s higher gasoline taxes and higher cost of doing business should add about, anywhere from 22 cents to 32 cents to the national average retail price. However, just this past summer, if you look at the statistics, Hawaii’s average gas prices were 61 cents higher than the national average. Why? The answer again is that high profit margins, and not taxes and costs, have made Hawaii’s gasoline prices higher than they should be.

“Another criticism is that the implementation of the gas price ceilings under this bill will lead to higher prices at the pump. This criticism is also not valid to the extent that it ignores the important amendments that have been made to Act 77 which this bill contains. For example, the price ceiling under this bill would be based upon the oil price national average spot price instead of the spot prices in the western regions of Los Angeles and San Francisco and the Pacific Northwest where prices seem to be more volatile and higher than the rest of the country.

Therefore, the use of this national benchmark will result in lower prices over the long term for Hawaii's consumers.

"It's also going to insure, Mr. President, that Hawaii's gasoline prices will more closely track mainland pricing trends in which gasoline prices rise and fall depending upon the price of crude oil. In my mind, gas prices should follow crude oil prices to the extent that they represent the largest component of the price of gasoline. However, this has not been the case of in Hawaii, where oil companies have kept gasoline prices at high levels, notwithstanding the fact that crude oil prices have been falling nationally. This is why Hawaii's gas prices have been the highest in the nation even though mainland prices have been plummeting to correlate to the reduction in the cost of crude oil prices in that part of the country.

"It's only right that the people of Hawaii benefit when crude oil prices decline like the rest of the country, and this is what S.B. No. 3193, S.D. 2, accomplishes.

"Now, the organization against price gouging, which has worked with me in developing this legislation, has recently compiled estimates based on publicly available information of the effect of the wholesale price caps if they were to be in place today. These estimates clearly indicate that the price caps would reduce gas prices for consumers in Hawaii. For example, for the period September 1, 2003, for regular unleaded gasoline, consumers on Oahu would save approximately 25 cents per gallon; on Maui, 39 cents per gallon; on the Big Island, 35 cents per gallon; and on Kauai, 23 cents per gallon. So, based on these estimates, it's not true, as the critics have contended, that a gas price cap will generally increase prices.

"I also ask my colleagues to step back for a moment and to use some logic and common sense. If the oil companies, as they contend, believe or say that a price cap approach will increase the cost of gasoline at the pump, if they truly believe that, then why is it that they are so sharply opposed to the price caps that are contained in this bill? Is it because they have suddenly become consumer advocates? I don't think so. I think that the reason why they really oppose this measure is not because it's going to increase prices, but because the oil producers know that the implementation of this cap will cut into their massive profits and assure fairer prices for consumers in Hawaii.

"Another concern that's been raised that really has not been supported by any testimony is that these price caps will drive certain companies out of business and will result in shortages. That's not true, the data clearly contradicts that assertion. And a final criticism that has been raised today by some of my colleagues across the aisle is that this bill is unconstitutional, and I have several responses to give in that regard.

"First of all, I would like to point out that the proponents of this measure, the citizens against price gouging, consulted with a number of constitutional attorneys who specialize in that area of the law, and were informed that the amendments would not present constitutional problems. I would also like to point out that two members of the coalition, Professor Emeritus Richard Miller, who is a former Dean and Professor of Law at the University of Hawaii Law School and Mr. Ted Clause a former Deputy Attorney General who was involved in the investigation of the gasoline industry in the 1990's, are knowledgeable about constitutional issues, and they had no problem with this particular bill.

"Moreover, I believe that this measure will withstand a legal challenge because it will advance an important compelling state interest. It will encourage competition in the gasoline industry. It will accomplish this objective by addressing a problem that

makes it difficult for dealers to price compete. At present, many dealers operate on a low margin, and therefore, when the oil companies increase wholesale prices, they are forced to increase prices at the pump in order to maintain their limited margins. Therefore, by reducing wholesale prices, gas price caps will give the dealers more room and more flexibility to be able to price compete and to lower their prices as a way of attracting more business to their stations. And I think that competition is going to especially occur with respect to those gasoline stations that operate these profit centers, such as convenient stores, repair shops, or car washes, which can account for 30 to 50 percent of a dealer's profit. By pushing wholesale prices down and lowering the cost of doing business for these dealers, it's going to make it possible for these dealers to be able to reduce their pump prices in order to enhance their profit centers.

"So, Mr. President, I really believe that this bill is justified on its merits, and accordingly I would ask my colleagues to vote in favor of this pro-consumer measure, S.B. No. 3193, S.D. 2.

"Thank you."

Senator Trimble rose to oppose the measure and said:

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

"Earlier today, I presented a different proposal. I might as well have been talking to the Washington Monument. What we have before us right now is something that will not work. There is no point in creating more government bureaucracy. You know, we have what? The highest electrical prices in the nation and yet we have the PUC regulating it. Our shipping costs to Hawaii are at least double what they would be because there is no effective competition.

"When we think about what we can do, the first thing we do is encourage competition. We don't increase government interference in the marketplace. If you want something that works, think about what was introduced as Floor Amendment 7 early today.

"Thank you, Mr. President."

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

"Mr. President, I speak in support of the measure with reservations.

"In the interest of time, Mr. President, I will be submitting my comments into the Journal, as well as, just to point out that the good Senator from Mililani has convinced me that he has addressed a lot of the concerns that I had. That's also the concerns I had with the present Act 77.

"Though I still have reservations about the so called gas cap concept, I believe that I like the language in S.D. 2 much better than the existing statute, and with that, I can live with the language and hopefully support the measure with reservations.

"Thank you, Mr. President."

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

"Mr. President, I speak in support of S.B. No. 3193, S.D. 2, with reservations.

"Though I spoke against this measure in the Ways and Means Committee, the amendments in S.B. No. 3193 address

my grave concerns, as presented by the good Senator of Mililani.

"I also did not support the bill of 2002 that is now Act 77. However, S.B. No. 3193, S.D. 2's language is much better than the present statute.

"I have still some grave concerns on gas cap measures. I will support S.B. No. 3193, S.D. 2.

"Thank you."

Senator Slom rose and said:

"Mr. President, Roll Call vote, please.

The Chair so ordered.

Senators Sakamoto, Ihara and English requested their votes be cast "aye, with reservations," and the Chair so ordered.

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

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

"First, I'd like to congratulate our Chair of CPH for all the work he has done on this matter, this issue.

"There's a question raised as to why we're doing this by the loyal opposition, and quite frankly it was simple – because many of our residents have asked us to look into this. The price of gas is very high and this is an attempt by your State Legislature to deal with this matter and take it head on.

"Right now, I don't hear a lot from the loyal opposition or from our executive branch on how they are going to deal with this issue, and I don't think they have anything out there. So, we have been looking at this for a few years and I think an important part of this bill on the gas cap is Section 5, which deals with the Governor's emergency powers. Quite frankly, this legislation can be suspended by the Governor. With her written determination and publication of that written determination, she could suspend this legislation so it doesn't happen. So there is, in a sense, a veto power given to our Governor, if in all of her wisdom, and knowledge, and authority she feels this bill is not necessary.

"So, we do have that in here, and I urge all of my colleagues to vote on this measure to help us deal with the high price of gas.

"Thank you, Mr. President."

Senator Hemmings rose to speak in rebuttal and stated:

"Mr. President, I rise on a point of rebuttal.

"Mr. President, I am certainly glad the good Senator from Mililani chose to emphasize my assertions that this is more political than substantive to help the consumers. The evidence is overwhelming that I'm correct. In the last election, there were hit pieces sent out by the Majority Party, the Democratic Party, on candidates for public office that outright lied to the people of Hawaii – very political. One of them said, Representative Blundell from Maui voted against the gas cap. One of them said, Carol Phillips from your district, Mr. President, on the North Shore, voted against the gas cap. They weren't even in office. They couldn't have because they weren't there to vote – talk about politics; talk about misrepresentation; talk about lies. It is political. It was used

very effectively. And unfortunately, the public, who did not know the difference, took some of those lies to heart.

"This is political. Make no bones about it. It's a liberal wing of the Democrat Party trying to find a monster in big oil, and they're going to take them down.

"Number two, it completely ignores the evidence which even good Judge Mollway, with strong Democrat roots tied to Senator Inouye and others, in her finding says, 'at the wholesale and retail levels, because of the high taxes, high concentration at the wholesale level, and high barriers to entry that they de-sawed new companies from entering the market. These barriers include substantial fixed costs, regulatory impediments to building new terminals, an oversupply of gasoline stations in the market, and an adverse political climate.' It's not me that's saying it. Judge Mollway said it in her findings, which were sent back to Hawaii from the Ninth Circuit, probably one of the most liberal courts in the nation. It is political, and it does stink!

"On the constitutional question, you have a handful of coalition people that have been lobbying for this made up of a couple of disgruntled former gasoline dealers, and a couple of extremely anti-free enterprise alleged intellectuals. It mentioned Ted Clause, former Deputy Attorney General. What was not mentioned, was that Ted Clause's boss, Earl Anzai, specifically, specifically, said when the attempt was made several years ago when Act 77 was being discussed here, that you could not cap wholesale prices because it would be unconstitutional takings. Judge Mollway says it. And our present attorney general in a letter, Mr. President, that you and the very learned Chairman of the Judiciary Committee received, says it.

"But we're supposed to swallow the opinion of one special interest spokesperson, Ted Clause. Well, I'm not swallowing and I'm not biting. This is unconstitutional. It's political, Mr. President, and it is an attempt to fool the people of Hawaii once again that prices are being capped to their benefit. And what is most ludicrous about it is the assertion that we, who had the guts to speak out against it two years ago, are being disingenuous. Excuse me, Chairman of the Ways and Means Committee . . . or vexatious, as the case may be.

"We have been tremendously consistent, Mr. President. We're not doing a 180 on capping retail prices at the consumer level. You are, good Chairman from Mililani. You're doing a 180! You're being duplicitous. You're the one that's abandoning consumer protection at the retail level and changing it. We are very consistent. We oppose price caps at the retail level, and we oppose price caps at the wholesale level, especially in view of the fact that price caps at the wholesale level are consistently recognized by every leading constitutional scholar in Hawaii that's worth anything, to be unconstitutional. I recommend the Majority Party, especially the good Senator from Mililani, read again the United States Constitution and Article V regarding takings.

"I hope, I hope, that this bill will be completely killed and will repeal this foolish notion and the falsehood that the great Majority Party is going to rise to protect the consumers while they continue to pay punitive prices on most every consumer product for the reason so eloquently enunciated by Judge Mollway in her findings on the divorcement law.

"I'm proud to have voted against the gas cap legislation, alleged gas cap, then, and I'm really proud to speak out against this 'shibai' legislation.

"Thank you, Mr. President."

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

“Mr. President, I rise in support with some reservations.

“Disingenuous is the word of the moment, I think, and I have to say that the arguments based on political rhetoric are the most disingenuous of them all. When speakers are unable to attack the substantive nature of the policies, over and over today we’ve got this boogiemer of politics. It’s all about politics. It’s all about Democrats. It’s all about Republicans. This about consumers being ripped-off by big oil companies.

“Consumers in my district cannot drive to Costco. They cannot drive to Aloha Petroleum. They have to pay the prices that are given to them, and they are being ripped-off by big oil, not by the retail stations, but by the big oil companies. It’s been proven over and over again. They’re overcharging our consumers.

“To say that prices are high all over . . . we’re getting ripped-off in real estate, we’re getting ripped-off by medical insurance, so let’s just take the rip-off by the oil companies too. It’s like the same argument with the pollution from the cruise ships. Well, they’re going to pollute, so let everybody pollute.

“I won’t buy it, Mr. President. I think we should take a tough stand. While I don’t agree with all aspects of this bill – I have some concerns – I think the Chairman has done a darn good job over these past few years researching, studying the issues and coming up with a proposed solution that deserves further debate, further dialog, and ultimately, hopefully goes on to success.

“I would just like to encourage all the members to vote to support this measure. Thank you.”

Senator Menor rose to speak in rebuttal and stated:

“Mr. President, just a very brief rebuttal.

“In regards to the constitutional legal issues, I really think that the previous speakers on the other side of the aisle really need to take a closer look at them and do a more careful analysis of those issues. The opinion to which the Minority Leader has been referring is a federal district court case, which occurred several years ago, in which Chevron filed suit against the State of Hawaii to avoid a lease rent cap in gas stations. So, in that regard, we’re talking about an unrelated case – lease rent cap versus the gasoline price ceilings that are contained in this bill.

“Now, the court ruled in favor of the oil company because the judge felt that the state wasn’t able to produce sufficient evidence to support the particular state interest that was being articulated by the attorney general’s office, which is the reduction of gasoline prices. What the opponents of this measure failed to note is the fact that there are several important difference between the case that was before Judge Mollway, several years ago on the unrelated issue of lease rent caps and the legislation that is before us today. First of all, since Judge Mollway came out with her decision, a considerable body of evidence has been developed, since the federal district court decision on the lease rent cap, to indicate that there will be plenty of competition among dealers on the retail level.

“For example, the preamble of the bill that’s before us makes reference to the findings of the state’s antitrust litigation and the Stillwater report regarding the adequacy of competition in the retail level. Therefore, if this bill is challenged in court, the state will have armed with it substantial evidence to be able to

argue that when these gas price caps are implemented and when they push prices down, as we anticipate that they will, then these savings will be passed on to consumers by many dealers who will price compete in an attempt to increase their sales volumes. That’s significant difference number one.

“The other difference between this bill and the lease rent cap law is that, as mentioned earlier, it will further an additional important compelling state interest – which is to foster and further price competition in the gasoline market in Hawaii. And as I already discussed in rather great detail in my earlier remarks, this increased competition will occur for the various reasons that I have offered previously.

“And finally, with respect to the attorney general’s opinion, I have a great deal of respect for the attorney general, but in my mind, it’s not surprising that the office would render that sort of an opinion given the strong position that the Governor has taken on this particular issue.

“So again, I think you have to weigh the merits, look at the pro and cons, and I think that when you weigh the merits, you’ll come to the conclusion that this is a pro-consumer measure and it ought to be passed by this Body and the Legislature.

“Thank you.”

Senator Ihara rose on a point of personal privilege and said:

“Mr. President, point of personal privilege.

“Mr. President, could I ask the members to turn on their microphones, so that when you read and when you say your aye or nay, that the viewing public will know. Because I’ve gotten complaints in the past and they’re watching with bated breath on the vote and they don’t really know how we vote. And that’s a request I’d like to put out there.

“Thank you.”

Senators Aduja, Ige, Kim and Kokubun requested their votes be cast “aye, with reservations,” and the Chair so ordered.

The motion was put by the Chair and carried, Stand. Com. Rep. No. 2860 was adopted and S.B. No. 3193, S.D. 2, entitled: “A BILL FOR AN ACT RELATING TO CONSUMERS,” having been read throughout, and Roll Call vote having been requested, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 18. Noes, 5 (Hemmings, Hogue, Kawamoto, Slom, Trimble). Excused, 2 (Taniguchi, Whalen).

At 6:06 o’clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 6:08 o’clock p.m.

### THIRD READING

#### MATTER DEFERRED FROM EARLIER ON THE CALENDAR

S.B. No. 2207, S.D. 1:

By unanimous consent, S.B. No. 2207, S.D. 1, entitled: “A BILL FOR AN ACT RELATING TO MOTOR VEHICLE INSURANCE,” was recommitted to the Committee on Commerce, Consumer Protection and Housing.

## REFERRAL OF HOUSE BILLS

MATTERS DEFERRED FROM  
FRIDAY, MARCH 5, 2004

The President made the following committee assignments of House bills received on Thursday, March 4, 2004, and Friday, March 5, 2004:

House Bill Referred to:

No. 1712 Committee on Ways and Means

No. 1713, H.D. 2 Jointly to the Committee on Water, Land, and Agriculture and the Committee on Transportation, Military Affairs, and Government Operations

No. 1727, H.D. 1 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Judiciary and Hawaiian Affairs

No. 1770, H.D. 1 Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Judiciary and Hawaiian Affairs

No. 1773, H.D. 1 Committee on Labor, then to the Committee on Judiciary and Hawaiian Affairs

No. 1818, H.D. 1 Committee on Commerce, Consumer Protection and Housing, then to the Committee on Judiciary and Hawaiian Affairs

No. 1856, H.D. 1 Committee on Education, then to the Committee on Ways and Means

No. 1859, H.D. 2 Committee on Human Services, then to the Committee on Judiciary and Hawaiian Affairs

No. 1875, H.D. 1 Committee on Education, then to the Committee on Ways and Means

No. 1885 Committee on Human Services, then to the Committee on Ways and Means

No. 1892, H.D. 1 Committee on Education, then to the Committee on Judiciary and Hawaiian Affairs

No. 1901, H.D. 1 Jointly to the Committee on Human Services and the Committee on Health, then to the Committee on Judiciary and Hawaiian Affairs

No. 1907, H.D. 1 Jointly to the Committee on Education and the Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Ways and Means

No. 1925, H.D. 1 Committee on Education, then to the Committee on Ways and Means

No. 1926 Committee on Education, then to the Committee on Judiciary and Hawaiian Affairs

No. 1928, H.D. 1 Committee on Education, then to the Committee on Ways and Means

No. 2048, H.D. 1 Committee on Energy and Environment, then to the Committee on Commerce, Consumer Protection and Housing

No. 2074, H.D. 1 Jointly to the Committee on Energy and Environment and the Committee on Economic Development

No. 2137, H.D. 1 Jointly to the Committee on Commerce, Consumer Protection and Housing and the Committee on Science, Arts, and Technology, then to the Committee on Ways and Means

No. 2156, H.D. 1 Jointly to the Committee on Education and the Committee on Human Services, then to the Committee on Ways and Means

No. 2196, H.D. 1 Committee on Judiciary and Hawaiian Affairs

No. 2250, H.D. 2 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Ways and Means

No. 2265 Committee on Labor, then to the Committee on Ways and Means

No. 2286, H.D. 1 Committee on Education, then to the Committee on Ways and Means

No. 2292, H.D. 1 Committee on Judiciary and Hawaiian Affairs, then to the Committee on Ways and Means

No. 2293 Committee on Judiciary and Hawaiian Affairs, then to the Committee on Ways and Means

No. 2295, H.D. 1 Committee on Judiciary and Hawaiian Affairs, then to the Committee on Ways and Means

No. 2296, H.D. 1 Committee on Judiciary and Hawaiian Affairs, then to the Committee on Ways and Means

No. 2337, H.D. 1 Committee on Ways and Means

No. 2338, H.D. 2 Committee on Water, Land, and Agriculture, then to the Committee on Judiciary and Hawaiian Affairs

No. 2375, H.D. 1 Committee on Judiciary and Hawaiian Affairs

No. 2379, H.D. 1 Committee on Judiciary and Hawaiian Affairs

No. 2385, H.D. 1 Committee on Human Services, then to the Committee on Judiciary and Hawaiian Affairs

No. 2411, H.D. 1 Committee on Commerce, Consumer Protection and Housing

No. 2414 Committee on Health, then to the Committee on Commerce, Consumer Protection and Housing

No. 2472, H.D. 2 Committee on Health, then to the Committee on Judiciary and Hawaiian Affairs

No. 2495, H.D. 1 Jointly to the Committee on Water, Land, and Agriculture and the Committee on Transportation, Military Affairs, and Government Operations

No. 2511 Committee on Ways and Means

No. 2516, H.D. 1 Committee on Ways and Means

No. 2642 Committee on Education, then to the Committee on Judiciary and Hawaiian Affairs

No. 2661, H.D. 1 Committee on Economic Development, then to the Committee on Transportation, Military Affairs, and Government Operations

No. 2715, H.D. 1 Jointly to the Committee on Health and the Committee on Human Services, then to the Committee on Judiciary and Hawaiian Affairs

No. 2716 Committee on Water, Land, and Agriculture, then to the Committee on Ways and Means

No. 2784, H.D. 1 Jointly to the Committee on Water, Land, and Agriculture and the Committee on Economic Development, then to the Committee on Ways and Means

No. 2815 Committee on Education, then to the Committee on Ways and Means

No. 2871, H.D. 2 Jointly to the Committee on Labor and the Committee on Education

No. 2883, H.D. 2 Jointly to the Committee on Transportation, Military Affairs, and Government Operations and the Committee on Commerce, Consumer Protection and Housing, then to the Committee on Ways and Means

No. 2966, H.D. 2 Jointly to the Committee on Energy and Environment and the Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Commerce, Consumer Protection and Housing

No. 2969, H.D. 1 Committee on Energy and Environment, then to the Committee on Commerce, Consumer Protection and Housing

No. 2985, H.D. 2 Committee on Water, Land, and Agriculture, then to the Committee on Judiciary and Hawaiian Affairs

**REFERRAL OF SENATE CONCURRENT RESOLUTIONS**

The President made the following committee assignments of concurrent resolutions that were offered on Wednesday, February 25, 2004; Wednesday, March 3, 2004; Thursday, March 4, 2004; and Friday, March 5, 2004:

Senate  
Concurrent  
Resolution Referred to:

No. 37 Jointly to the Committee on Health and the Committee on Commerce, Consumer Protection and Housing

No. 38 Committee on Transportation, Military Affairs, and Government Operations

No. 39 Committee on Human Services, then to the Committee on Ways and Means

No. 40 Jointly to the Committee on Health and the Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Commerce, Consumer Protection and Housing

No. 41 Committee on Labor, then to the Committee on Judiciary and Hawaiian Affairs

No. 42 Committee on Education, then to the Committee on Ways and Means

No. 43 Jointly to the Committee on Health and the Committee on Human Services, then to the Committee on Ways and Means

No. 44 Jointly to the Committee on Health, the Committee on Human Services and the Committee on Judiciary and Hawaiian Affairs, then to the Committee on Ways and Means

No. 45 Jointly to the Committee on Human Services and the Committee on Health

No. 46 Committee on Education

No. 47 Jointly to the Committee on Human Services and the Committee on Health, then to the Committee on Ways and Means

No. 48 Committee on Education, then to the Committee on Ways and Means

**REFERRAL OF SENATE RESOLUTIONS**

The President made the following committee assignments of resolutions that were offered on Wednesday, February 25, 2004; Wednesday, March 3, 2004; Thursday, March 4, 2004; and Friday, March 5, 2004:

Senate  
Resolution Referred to:

No. 19 Committee on Transportation, Military Affairs, and Government Operations

No. 20 Jointly to the Committee on Health and the Committee on Transportation, Military Affairs, and Government Operations, then to the Committee on Commerce, Consumer Protection and Housing

No. 21 Committee on Labor, then to the Committee on Judiciary and Hawaiian Affairs

No. 22 Committee on Education, then to the Committee on Ways and Means

**ADJOURNMENT**

At 6:09 o'clock p.m., on motion by Senator Kawamoto, seconded by Senator Hogue and carried, the Senate adjourned until 11:30 o'clock a.m., Thursday, March 11, 2004.

Respectfully submitted,

Clerk of the Senate

Approved:

President of the Senate