

FIFTEENTH DAY

Thursday, February 8, 2007

The House of Representatives of the Twenty-Fourth Legislature of the State of Hawaii, Regular Session of 2007, convened at 12:03 o'clock p.m., with the Speaker presiding.

The invocation was delivered by Kahuna Nui Momi Mo'okini Lum, after which the Roll was called showing all members present with the exception of Representatives Bertram, M. Oshiro, Shimabukuro, Souki and Takamine, who were excused.

On motion by Representative B. Oshiro, seconded by Representative Meyer and carried, reading of the Journals was dispensed with and the Journals of the Eighth, Ninth, Tenth and Eleventh Days were approved. (Representatives McKelvey, M. Oshiro, Shimabukuro, Souki and Takamine were excused.)

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 253 through 257) were received and announced by the Clerk and were placed on file:

Gov. Msg. No. 253, dated January 26, 2007, transmitting the report on the adequacy of federal funding for the No Child Left Behind Act.

Gov. Msg. No. 254, dated January 27, 2007, transmitting the report pursuant to Section 354D-3.5, Hawaii Revised Statute, requiring the Department of Public Safety's Correctional Industries to submit an annual report.

Gov. Msg. No. 255, dated January 30, 2007, transmitting the Report Pursuant to Section 334-15, Hawaii Revised Statutes, Requiring the Department of Health to Submit an Annual Report on the Mental Health and Substance Abuse Special Fund.

Gov. Msg. No. 256, dated January 24, 2007, transmitting the Hawaii's Sister State/Cities Program Report prepared by the Department of Business, Economic Development, & Tourism.

Gov. Msg. No. 257, dated February 7, 2007, transmitting the Report Pursuant to House Concurrent Resolution No. 88, Senate Draft 1, of the 2006 Legislative Session, Requesting the Director of Health to Develop a Trauma System Plan for Hawaii.

SENATE COMMUNICATION

The following communication from the Senate (Sen. Com. No. 6) was received and announced by the Clerk:

Sen. Com. No. 6, transmitting S.B. No. 139, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIGARETTE TAX," which passed Third Reading in the Senate on February 7, 2007.

On motion by Representative B. Oshiro seconded by Representative Meyer and carried, the following Senate bill passed First Reading by title and further action was deferred: (Representatives Carroll, M. Oshiro, Shimabukuro, Souki and Takamine were excused.)

S.B. No. 139, SD 1

INTRODUCTIONS

The following introductions were made to the members of the House:

Representative Pine introduced the members of the James Campbell High School Student Association: Jester Galiza, Brittany Marini, Johannah Mindo, Fusia Afuola, Waianae Kahananui, Marilu Barbara, Nicolle Siva, Jordan Furukawa, Joilynn Hollies, Kimberly Dela Cruz, Justin Romero, Ariella Toloza, Trankie Hagos, Courtney Enriquez, Evelyn Obamas; and advisor, Ms. Sara Ann Kimura.

Representative Pine also introduced her legislative intern, Mr. Robert Thompson with the United States Marine Corps who recently returned from Iraq. He was accompanied by her legislative aide, Ms. Anne Atkinson; legislative analyst, Ms. Lisa Shorba; and office manager Mr. John Gollner.

Representative Takai, on behalf of Representatives Takumi, Yamane, Sonson, B. Oshiro, Karamatsu and himself, introduced members of the Pearl City High School Student Council: Michelle Brown, Stayson Isobe, Zoe Ann Kaneshiro, Wainani Paikai, Kirstie Saito, Daniel Tanigawa, Jaymian Urashima, Christina Uyen, Katherine Wallace; and advisor, Mrs. Mike Ishihara.

Representative Cabanilla, on behalf of Representatives Sonson, Karamatsu and herself, introduced members of the Waipahu High School Student Council: Angelie Angeles, Mark Custodio, Sean Cozo, Leighton Pohano, Bradley Fernandez, Mark Gano, and Natalie Millon.

ORDER OF THE DAY

COMMITTEE REASSIGNMENTS

The following bills were re-referred to committee by the Speaker:

<u>H.B. Nos.</u>	<u>Re-referred to:</u>
367	Committee on Health, then to the Committee on Finance
692, HD1	Committee on Agriculture, then to the Committee on Finance
1289	Committee on Energy & Environmental Protection, then to the Committee on Finance
1295	Committee on Finance
1296	Committee on Finance
1297	Committee on Finance
1298	Committee on Finance
1299	Committee on Finance
1300	Committee on Finance
1301	Committee on Finance
1302	Committee on Finance
1303	Committee on Finance
1304	Committee on Finance
1305	Committee on Finance
1563	Committee on Finance
1564	Committee on Finance

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- 1566 Committee on Finance
- 1567 Committee on Finance
- 1568 Committee on Finance
- 1569 Committee on Finance
- 1570 Committee on Finance
- 1571 Committee on Finance
- 1572 Committee on Finance
- 1573 Committee on Finance

STANDING COMMITTEE REPORTS

Representative Magaoay, for the Committee on Legislative Management presented a report (Stand. Com. Rep. No. 151) recommending that H.B. No. 897, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 897, HD 1, entitled: "A BILL FOR AN ACT RELATING TO LEGISLATIVE PROCEEDINGS ON THE INTERNET," passed Second Reading and was referred to the Committee on Finance.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 152) recommending that H.B. No. 36, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 36, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTIES," passed Second Reading and was referred to the Committee on Finance.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 153) recommending that H.B. No. 379, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 379, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WITNESSES," passed Second Reading and was referred to the Committee on Finance.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 154) recommending that H.B. No. 1177, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1177, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A COMMUNITY ANTI-DRUG FUND," passed Second Reading and was referred to the Committee on Finance.

Representative Evans, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 155) recommending that H.B. No. 1734, as amended in HD 1, pass Second Reading and be referred to the Committee on Water, Land, Ocean Resources & Hawaiian Affairs.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1734, HD 1, entitled: "A BILL FOR AN ACT RELATING TO NATIVE HAWAIIANS," passed Second Reading and was referred to the Committee on Water, Land, Ocean Resources & Hawaiian Affairs.

Representatives Evans and Sonson, for the Committee on Public Safety & Military Affairs and the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 156) recommending that H.B. No. 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO A COMPREHENSIVE OFFENDER REENTRY SYSTEM," passed Second Reading and was referred to the Committee on Judiciary.

Representatives Evans and Sonson, for the Committee on Public Safety & Military Affairs and the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 157) recommending that H.B. No. 1403, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 1403, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PAROLING AUTHORITY," passed Second Reading and was referred to the Committee on Finance.

Representative Chang, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 158) recommending that H.B. No. 1811, as amended in HD 1, pass Second Reading and be referred to the Committee on Health.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1811, HD 1, entitled: "A BILL FOR AN ACT RELATING TO A NURSING PROGRAM AT THE UNIVERSITY OF HAWAII'S LEEWARD COMMUNITY COLLEGE," passed Second Reading and was referred to the Committee on Health.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 159) recommending that H.B. No. 1757, pass Second Reading and be referred to the Committee on Judiciary.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1757, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative B. Oshiro.

Representative Har rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1757, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," passed Second Reading and was referred to the Committee on Judiciary.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 160) recommending that H.B. No. 1718, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Tourism & Culture and the Committee on Economic Development & Business Concerns.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee

was adopted and H.B. No. 1718, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CRUISELINE INDUSTRY," passed Second Reading and was referred jointly to the Committee on Tourism & Culture and the Committee on Economic Development & Business Concerns.

Representative Sonson, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 161) recommending that H.B. No. 519, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 519, entitled: "A BILL FOR AN ACT RELATING TO THE STATE DEFERRED COMPENSATION PLAN," passed Second Reading and was referred to the Committee on Finance.

Representative Sonson, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 162) recommending that H.B. No. 751, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 751, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," passed Second Reading and was referred to the Committee on Finance.

Representative Sonson, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 163) recommending that H.B. No. 760, pass Second Reading and be referred to the Committee on Economic Development & Business Concerns.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 760, entitled: "A BILL FOR AN ACT RELATING TO A LIVING WAGE FOR WORKERS ON SERVICE CONTRACTS," passed Second Reading and was referred to the Committee on Economic Development & Business Concerns.

At 12:15 o'clock p.m., Representative Thielen requested a recess and the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 12:15 o'clock p.m.

Representative Sonson, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 164) recommending that H.B. No. 853, as amended in HD 1, pass Second Reading and be referred to the Committee on Economic Development & Business Concerns.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 853, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC WORK PROJECTS," passed Second Reading and was referred to the Committee on Economic Development & Business Concerns.

Representatives Evans and Sonson, for the Committee on Public Safety & Military Affairs and the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 165) recommending that H.B. No. 620, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 620, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FAMILY LEAVE," passed Second Reading and was referred to the Committee on Finance.

Representative Shimabukuro, for the Committee on Human Services & Housing presented a report (Stand. Com. Rep. No. 166) recommending that H.B. No. 236, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 236, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Second Reading and was referred to the Committee on Finance.

Representative Shimabukuro, for the Committee on Human Services & Housing presented a report (Stand. Com. Rep. No. 167) recommending that H.B. No. 1906, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1906, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING," passed Second Reading and was referred to the Committee on Finance.

Representative Shimabukuro, for the Committee on Human Services & Housing presented a report (Stand. Com. Rep. No. 168) recommending that H.B. No. 105, as amended in HD 1, pass Second Reading and be referred to the Committee on Water, Land, Ocean Resources & Hawaiian Affairs.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 105, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING," passed Second Reading and was referred to the Committee on Water, Land, Ocean Resources & Hawaiian Affairs.

Representatives Shimabukuro and Green, for the Committee on Human Services & Housing and the Committee on Health presented a report (Stand. Com. Rep. No. 169) recommending that H.B. No. 531, as amended in HD 1, pass Second Reading and be referred to the Committee on Education.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 531, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILDREN," passed Second Reading and was referred to the Committee on Education.

Representative Yamashita, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 170) recommending that H.B. No. 314, as amended in HD 1, pass Second Reading and be referred to the Committee on Legislative Management.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 314, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SMALL BUSINESS," passed Second Reading and was referred to the Committee on Legislative Management.

Representative Yamashita, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 171) recommending that H.B. No. 1270, as amended in HD 1, pass Second Reading and be referred to the Committee on Water, Land, Ocean Resources & Hawaiian Affairs.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1270, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STATE PLANNING," passed Second Reading and was referred to the Committee on Water, Land, Ocean Resources & Hawaiian Affairs.

Representative Yamashita, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 172) recommending that H.B. No. 33, as amended in HD 1, pass Second Reading and be referred to the Committee on Labor & Public Employment.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 33, HD 1, pass Second Reading and be referred to the Committee on Labor & Public Employment, seconded by Representative B. Oshiro.

Representative Marumoto rose to speak in support of the measure with reservations, stating:

"I have reservations on Stand. Com. Rep. No. 172. One of the testifiers mentioned that the affect on nonprofits would be unknown if we have to pay a living wage to all workers. So that very simply was my reservation. Thank you."

Representative Evans rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Meyer rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 33, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII LIVING WAGE LAW," passed Second Reading and was referred to the Committee on Labor & Public Employment.

Representative Yamashita, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 173) recommending that H.B. No. 1670, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Education and the Committee on Labor & Public Employment.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1670, HD 1, pass Second Reading and be referred jointly to the Committee on Education and the Committee on Labor & Public Employment, seconded by Representative B. Oshiro.

Representative Meyer rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Marumoto rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. I am going to be voting no on HB 1670. It has some very good features to set up an Ingenuity Charter, supposedly to help high tech and biotech, and inventors and education for high tech. I don't want to take away any of those features.

"Also, labor plays a strong part in this particular Ingenuity Charter Corporation, however, there's some drawbacks to it. This bill did pass the Legislature last year and the Governor vetoed the measure at the time, and I think we should point out as this passes Second Reading, some of the drawbacks and why the bill was vetoed.

"It would set up a private for-profit organization and it wouldn't have any attachment or oversight from a government department. The appropriation would go directly to this Charter, which is highly unusual, if not, illegal. And the arrangement could result in a challenge under the Equal Protection Clause of the Constitution since this entity would not be required to comply with the incorporation

laws that other corporations are required to follow before being authorized to do business in the State.

"It also creates confusion as to whether this Corporation is covered by Chapter 91 and Chapter 92 of HRS covering rulemaking, and Sunshine laws. It would be difficult in making changes to the Corporation's Charter because it would require the passage of a legislative Act, and rescission of this Charter would require a two-thirds vote of both Houses. It is inappropriate and outside the scope of law to give a for-profit corporation ability to declare that exercising the power to collectively bargain on behalf of inventors and labor organizations is an exception to all State, anti-trust and federal anti-competitive practice, rules and statutes.

"The veto message also pointed out that the bill may actually hurt the very entity it is intended to help, which is the inventor. Inventors would have no direct representation on the board.

"There are further limits on inventors' return on investment and only allows the inventors to sue the corporation after going through an elaborate and unnecessary grievance process structured to the benefit of the corporation and not the inventor.

"The legislation fails to increase an inventor's ability to compete in a global marketplace and protect his patents beyond what is already available through federal statutes.

"Finally, the Department of Taxation had a question regarding the tax free provision of the measure. On page 17 of the bill, it says, income of the company and the company's distributions to members shall not be subject to State tax.' And so, the Tax Department said that the bill should be amended to clarify that the income of the company shall not be subject to State income tax at the company level. If the company is to be exempt from all State taxes, such as GET, then Section 15 should be amended to so provide. Because of this and many other objections, I feel compelled to vote no. Thank you, very much."

Representative Ching rose in support of the measure with reservations, and asked that the remarks of Representative Marumoto be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative M. Oshiro rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I'm rising in strong support of this measure. Just a few points of clarification.

"First of all, inventors are extremely well represented in this Charter. In fact, I think most inventors, if you look at the testimony as expressed through the Inventors Alliance and the National Hall of Inventors for our country have supported this measure only because they themselves, as inventors, know that through this Charter they might gain additional protection, notwithstanding our current federal patent laws. So, that's one point that needs to be clarified.

"The second point that was made is regarding exemption from any taxation. That's not true. The language of the company reads that as a pass-through entity, the income of the company shall not be subject to State income tax at the company level. And there's a reason for that because taxes as applied to any limited liability company under Hawaii law is assessed to the partners and shareholders of the company.

"The third point that needs to be pointed out, Mr. Speaker, is that we hear a lot of talk about ingenuity, and lot of talk about innovation. Well, the cruel reality is that despite all of the inventions that may come out of the labs and the classrooms and the garages, most of these inventions are taken over by corporate ownership and because they become part of the corporate global mainstream, many of these fine ideas and products seldom find their place to the marketplace for the benefit of the inventors, community at large and for those

consumers who might benefit from these new ideas, technologies or tools.

"This Charter, Mr. Speaker, would allow protection of the inventor's ingenuity, bringing better products to the marketplace, and enable America's inventors to compete on the global marketplace by using their ingenuity, coupled with American investment power and, of course, working with the various trade unions both within our country and throughout the world, so that no matter where the product or ingenuity or technique is brought throughout the world, one would have influences upon its use, and how it is produced through our trade unions. So, Mr. Speaker, there are a couple more hearings in the process before this bill gets out. Should the Members have any questions, I make myself available to them. And I appreciate their support at this time. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1670, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE INGENUITY CHARTER," passed Second Reading and was referred jointly to the Committee on Education and the Committee on Labor & Public Employment with Representative Marumoto voting no.

Representative Souki, for the Committee on Transportation presented a report (Stand. Com. Rep. No. 174) recommending that H.B. No. 70, as amended in HD 1, pass Second Reading and be referred to the Committee on Economic Development & Business Concerns.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 70, HD 1, pass Second Reading and be referred to the Committee on Economic Development & Business Concerns, seconded by Representative B. Oshiro.

Representative Har rose to speak in opposition to the measure, stating:

"Thank you, Mr. Speaker. Mr. Speaker, I rise in opposition to this measure to the extent that it would impact residents of the Leeward Coast and to the extent that it support toll roads.

"Mr. Speaker, over 20 years ago, the State of Hawaii and the City and County of Honolulu decided that Kapolei would be the Second City.

"Subsequently, the developers did their part in building houses and communities to help bring to fruition the vision of the Second City. And in turn, Mr. Speaker, the residents of the Leeward Coast then moved out and bought those homes on the Leeward side to help alleviate the congestion in Honolulu and helped also bring to fruition the idea of the Second City.

"I am opposed to this measure, Mr. Speaker, to the extent that now this bill will support toll roads, and I have problems with the fact that the residents of the Leeward Coast will now be penalized essentially for doing their part.

"When we moved out to the Second City, we did our part. The developers did their part in bringing to fruition the Second City. Unfortunately, government was unable to do its part in building the infrastructure. As a result, the residents of the Leeward Coast should not be penalized in having to pay a toll to get into the city of Honolulu.

"Moreover, Mr. Speaker, if you look at the socio-economic demographics of the residents of the Leeward side versus East Honolulu, Honolulu, or the Windward side, I would contend this toll could arguably be considered discriminatory.

"As a result Mr. Speaker, I rise in opposition. Thank you."

Representative Cabanilla rose to speak in support of the measure, stating:

"Mr. Speaker, I rise in strong support of this matter. I agree with the Representative from Kapolei that the people on the Leeward side should not be penalized.

"I'm looking at it from a realistic point of view. We are in a transportation crisis. Federal funds are very limited. We only get \$150 million a year. That's not enough to even build roads on one island. If I am to use federal funds to build another access route to Ewa Beach, that would mean the whole entire State would not get their share.

"This measure of tolls, Mr. Speaker, is now used by 17 other states, and it means that residents of the Leeward community, including Kapolei will have another route to solve this transportation crisis and traffic gridlock we face every day by infusing private funds. Nothing is free in this world, Mr. Speaker. We pay for it one way or the other. This consortium or consortia that would come in and build our roads would have to collect money from us. That is true. But at such a time when the mortgage is paid, we will then have the roads.

"If we are to wait for federal funds to build this access route, the people on the Leeward side will be waiting for 30 years, just like the H-3.

"The number one quality of life issue on the Leeward side, especially Ewa Beach, Mr. Speaker, is traffic. You can ask anybody that comes to work to town how early they have to wake up. This toll road is not enforced on everybody. You still can use the regular roads if you so desire and do not want to pay the tolls.

"But one thing nice about it is that it's insurance that if you have to be at the airport at a time, you can pay \$2 and be there in ten minutes. It's insurance, a gridlock insurance that people can exercise. It's a choice, Mr. Speaker. We are not shoving this down everybody's throat on the Leeward side. It's a choice. It's another alternative.

"If you do not want to wake up at 4:30 in the morning, like I do to get to the Capitol at 7:00, then I choose to pay \$2 and get here. Furthermore, Mr. Speaker, how much do the people who work in town get paid every hour? Minimum wage is \$8. If you're going to be on the road for two hours, the \$2, isn't that worth to get on it for \$2 and sleep two hours more?

"And I don't want to increase taxes for the rest of the State if we are to use State and federal dollars to build this alternate route. Because if you do that, then all the islands would have to pay for it and not benefit from it. If you put a toll road, it's used by choice and it's paid for by the people on the Leeward side.

"I disagree with that and my heart cries for the people in Ewa Beach for paying the toll road, but it's the value, the quality of life that they have. This is an alternative that they can exercise. Thank you, Mr. Speaker."

Representative Takai rose in opposition to the measure and asked that the remarks of Representative Har be entered in the Journal as his own, and the Chair "so ordered." (By reference only.)

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Evans rose to speak in support of the measure, stating:

"I rise in strong support. When I read the bill, I read it differently from my previous colleague from Kapolei and that is, the way the bill was written it applies to existing roads. It also will apply under the definition of eligible facility. It addresses transport, be it highways, boats, vessels, inter-mobile or multi-mobile systems.

"What I see is this brings us into the future. It's about the State of Hawaii. It's about transporting people. It's about the State Department of Transportation and how they are going to address these issues. And one of the ways is to give them the opportunity to enter into public/private partnerships, and to talk about how we're going to move people between the islands and on the island. This is not specific to Oahu and one side of Oahu. This is about the whole State. This is about even taking Queen Kaahumanu Highway, which is being upgraded from a two-lane to a four-lane highway, an existing highway and saying we've got to put a toll on it. We've reached a point of putting a toll. Eventually, existing highways may have to have tolls on them.

"The plan is that we have to give the Department of Transportation the opportunity to have potentially a creative funding mechanism, and that's what I see this as. And this is just an option for the Department of Transportation to address it. The public has to realize that it costs so much money to develop transportation systems in Hawaii and we eventually may have to do this public/private partnership to achieve it. Thank you."

Representative Lee rose in support of the measure with reservations, and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Lee's written remarks are as follows:

"Mr. Speaker, I stand with reservations on this bill, which proposes to make toll roads of some existing roads and to make use of public/private partnerships to create new toll roads (mainly elevated in nature).

"Our constituents have paid over and over for the existing roads, which are still inadequately maintained. The environmental impact of elevated toll roads is unacceptable and in the long run would only bring more cars into the downtown area faster.

"We need to talk about disincentives to driving, increasing public transportation options and staggered hours before we create more traffic."

Representative Yamane rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Awana rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Meyer rose to speak in support of the measure, stating:

"Mr. Speaker, I'm in strong support of this and would ask that I be able to insert some remarks in the Journal," and the Chair "so ordered."

Representative Meyer's written remarks are as follows:

"I support HB70 HD1, which allows the State to enter into agreements with private developers to build, operate, own, or finance transportation facilities such as toll highways. This approach has several advantages over the current method of building highways via tax assessments.

"The bill would allow the State to alleviate traffic congestion at little or no cost to the taxpayers by financing highways via tolls paid by the users, thus allowing more highways to be built than under the current tax-financed system.

"No residents of our State would be harmed by such a toll highway, since no one would be forced to pay for a road they don't use, unlike the current method of levying taxes upon people who wouldn't use the highway.

"The users of the highway would all benefit – if anyone felt the price was too high, they would be free to use the existing tax-subsidized highways."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 70, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," passed Second Reading and was referred to the Committee on Economic Development & Business Concerns with Representatives Har and Takai voting no.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 175) recommending that H.B. No. 564, pass Second Reading and be referred to the Committee on Finance.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 564, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Ching rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I stand in strong support of HB 564, Relating to Education. This measure gives teachers the choice of where and how they spend their allotted funds for classroom supplies.

"Our responsibility as the State of Hawaii is to prepare each child to succeed in today's society and work force. Being technologically proficient, and being innovative are important in achieving this goal. This measure, a debit card program for public school teachers, will enhance education for the following reasons.

"One, creative curriculum. Every child is unique and has different learning skills, different needs. One size doesn't fit all. Debit cards liberate the teacher to be free in their way of reaching every child. Elements of innovation are a must in the classroom.

"Second, flexibility. Debit cards give teachers the freedom to go to different providers of supplies, rather than the restricted options of vendors appearing on the supply list. Teachers come across situations in which sometimes there are limited tools and there are better opportunities of curriculum that will reach the child and not all educational events can be foreseen. So, it allows for flexibility.

"Three, enhanced transparency. Debit cards provide a current way, a way where principals, administrators and taxpayers can easily, immediately track and insure what is being spent.

"Four, and perhaps most importantly, debit cards encourage a relationship between businesses in the school's community and the school.

"As members of an island state, we know how relationships help us to succeed, and help us to contribute to the success of us as a whole. When we reach out to 'mom and pop' stores within a community, they are more inclined to support the school and get involved in the school.

"Community relationships will strengthen with the debit card program, as well as boost morale and serve as an appealing recruitment tool for teachers.

"If I may, Mr. Speaker, I'd just to quote the Hawaii State Teachers Association and enter it into the Journal. 'This would be a positive step toward helping teachers, helping students. Input from teachers indicate that they spend approximately \$800 each in supplementing their classrooms with supplies to enhance teaching a year.' Thank you."

Representative Finnegan rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I'm in strong support. Just short comments, Mr. Speaker. I think some of the rules right now with regard to what you can purchase out of the teacher's money is that you can't purchase food, and I can understand why those rules may be in place.

"But this bill is about having the flexibility to best reach and provide for the students' learning, and one of the things that my child's teacher did for me was set up a visit at our home she called it 'cookies and milk.' She came to our home, took a look at our house, and sat down and talked story with my child and parents. I thought that was so creative, and I thought that was so awesome that she would take the time to do that.

"This would allow for teachers to possibly buy cookies and milk, and then they would have to be accountable for how they spent the money. Did it help them in their communication with that child? Or did it help in establishing a relationship with that child or their parents? And what I like about this bill is it gives the teachers flexibility, but also encourages them to basically take on the accountability and say, use this for a specific purpose and hold me accountable for it. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 564, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance.

Representative Chang, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 176) recommending that H.B. No. 671, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 671, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION TO THE UNIVERSITY OF HAWAII FOR PROGRAMS," passed Second Reading and was referred to the Committee on Finance.

Representative Chang, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 177) recommending that H.B. No. 1527, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1527, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLEGE PREPARATORY PROGRAMS," passed Second Reading and was referred to the Committee on Finance.

Representative Yamane, for the Committee on Tourism & Culture presented a report (Stand. Com. Rep. No. 178) recommending that H.B. No. 1582, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1582, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE PACIFIC AVIATION MUSEUM AT PEARL HARBOR," passed Second Reading and was referred to the Committee on Finance.

Representative Yamane, for the Committee on Tourism & Culture presented a report (Stand. Com. Rep. No. 179) recommending that H.B. No. 1719, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1719, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL EXCISE TAX," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce.

Representative Yamane, for the Committee on Tourism & Culture presented a report (Stand. Com. Rep. No. 180) recommending that H.B. No. 1603, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1603, HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary, seconded by Representative B. Oshiro.

Representative Ward rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I rise with slight reservations about this bill because I believe it's a homerule. Essentially, what we're doing is telling the counties to round up their illegals. That is, their 'bed and breakfast' illegals, and I think we know from our own membership, the fine individuals who come from the county councils, particularly Kauai comes to mind, that they are more than capable of doing this. What I would suggest is probably a more palliative remedy, is a resolution, encouraging the counties rather than saying, 'You will have a vigilante group and you'll have your counties round up these illegals.' So it's something a little bit more positive, rather than negative and a mandate. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1603, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSIENT ACCOMMODATIONS," passed Second Reading and was referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

Representative Yamane, for the Committee on Tourism & Culture presented a report (Stand. Com. Rep. No. 181) recommending that H.B. No. 1866, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1866, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MIXED MARTIAL ARTS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

Representative Shimabukuro, for the Committee on Human Services & Housing presented a report (Stand. Com. Rep. No. 182) recommending that H.B. No. 929, as amended in HD 1, pass Second Reading and be referred to the Committee on Water, Land, Ocean Resources & Hawaiian Affairs.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 929, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING DEVELOPMENT," passed Second Reading and was referred to the Committee on Water, Land, Ocean Resources & Hawaiian Affairs.

Representative Chang, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 183) recommending that H.B. No. 777, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 777, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII EDUCATOR LOAN PROGRAM," passed Second Reading and was referred to the Committee on Finance.

Representatives Herkes and Morita, for the Committee on Consumer Protection & Commerce and the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 184) recommending that H.B. No. 1004, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 1004, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER ADVOCACY," passed Second Reading and was referred to the Committee on Finance.

Representatives Herkes and Morita, for the Committee on Consumer Protection & Commerce and the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 185) recommending that H.B. No. 1005, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 1005, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION," passed Second Reading and was referred to the Committee on Finance.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 186) recommending that H.B. No. 92, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 92, entitled: "A BILL FOR AN ACT RELATING TO THE GENERAL EXCISE TAX," passed Second Reading and was referred to the Committee on Finance.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 187) recommending that H.B. No. 273, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 273, entitled: "A BILL FOR AN ACT RELATING TO ANNUITIES," passed Second Reading and was referred to the Committee on Finance.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 188) recommending that H.B. No. 1322, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1322, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE LICENSING," passed Second Reading and was referred to the Committee on Finance.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 189) recommending that H.B. No. 1323, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1323, entitled: "A BILL FOR AN ACT

RELATING TO CAPTIVE INSURANCE," passed Second Reading and was referred to the Committee on Finance.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 190) recommending that H.B. No. 1311, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1311, entitled: "A BILL FOR AN ACT RELATING TO MONEY TRANSMITTERS," passed Second Reading and was referred to the Committee on Judiciary.

Representative Herkes, for the Committee on Consumer Protection & Commerce presented a report (Stand. Com. Rep. No. 191) recommending that H.B. No. 1328, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1328, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative B. Oshiro.

Representative Evans rose to speak in support of the measure with reservations, stating:

"I rise in support of Stand. Com. Rep. No. 191 with reservations. What I'd like to point out to this body is that there is no appropriation language in this bill addressing the impact that it will have on our correctional facilities. I believe that the Department of Public Safety, there should be an appropriation language here and it should be addressed what the impact of this law is going to be on our correctional facilities. I believe it's very important when we pass these kinds of bills where it appears we are going to put more people in our prisons that we have to address what the impact is going to be on our correctional facilities. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1328, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING OF REPEAT OFFENDERS," passed Second Reading and was referred to the Committee on Judiciary.

Representative Chang, for the Committee on Higher Education presented a report (Stand. Com. Rep. No. 192) recommending that H.B. No. 1868, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Economic Development & Business Concerns and the Committee on Tourism & Culture.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1868, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CREATIVE MEDIA," passed Second Reading and was referred jointly to the Committee on Economic Development & Business Concerns and the Committee on Tourism & Culture.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 193) recommending that H.B. No. 124, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 124, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COUNTIES," passed Second Reading and was referred to the Committee on Finance.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 194) recommending that H.B. No. 600, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 600, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COURT INTERPRETERS," passed Second Reading and was referred to the Committee on Finance.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 195) recommending that H.B. No. 1009, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 1009, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative B. Oshiro rose to disclose a potential conflict of interest, stating:

"Mr. Speaker, I'd like to ask for a ruling on a potential conflict of interest on Stand. Com. Rep. No. 195. I work for the firm that represents the substitute teachers in a class action lawsuit, but I don't work on that case. Thank you," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1009, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CLAIMS AGAINST THE STATE," passed Second Reading and was referred to the Committee on Finance.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 196) recommending that H.B. No. 1231, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1231, HD 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR CLAIMS AGAINST THE STATE, ITS OFFICERS, OR ITS EMPLOYEES," passed Second Reading and was referred to the Committee on Finance.

Representative Evans, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 197) recommending that H.B. No. 1340, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1340, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE LOSS MITIGATION GRANT PROGRAM," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce.

Representatives Evans and Sonson, for the Committee on Public Safety & Military Affairs and the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 198) recommending that H.B. No. 1399, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committees was adopted and H.B. No. 1399, entitled: "A BILL FOR AN ACT RELATING TO INCARCERATED PERSONS," passed Second Reading and was referred to the Committee on Finance.

Representative Sonson, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 199) recommending that H.B. No. 1745, as amended in HD 1, pass Second Reading and be referred to the Committee on Economic Development & Business Concerns.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1745, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT," passed Second Reading and was referred to the Committee on Economic Development & Business Concerns.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 200) recommending that H.B. No. 869, pass Second Reading and be referred to the Committee on Higher Education.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 869, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A STUDY ON ENERGY EFFICIENT TRANSPORTATION STRATEGIES," passed Second Reading and was referred to the Committee on Higher Education.

Representative Morita, for the Committee on Energy & Environmental Protection presented a report (Stand. Com. Rep. No. 201) recommending that H.B. No. 1485, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1485, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SOLID WASTE CONTROL," passed Second Reading and was referred to the Committee on Judiciary.

Representative Yamashita, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 202) recommending that H.B. No. 200, as amended in HD 1, pass Second Reading and be referred to the Committee on Energy & Environmental Protection.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 200, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY," passed Second Reading and was referred to the Committee on Energy & Environmental Protection.

Representative Yamashita, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 203) recommending that H.B. No. 338, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Caldwell moved that the report of the Committee be adopted, and that H.B. No. 338, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative B. Oshiro.

Representative Wakai rose to speak in support of the measure with reservations, stating:

"Colleagues, I apologize for being tardy on this measure, but I want to just say that I'm all for growing the technology industry. I'm not too sure if this bill is the proper vehicle to do so. I think it has a few flaws. I just wanted to mention a couple of glaring *pukas* I see.

"I'm sorry. I rise with reservations. First of all, it's \$100 million out of the general fund. I think it's going to be a lot of money to help seed this special fund. It also has a quirky way of providing for future funds into this special fund in that it has an appropriation tied to one-half of 1 percent of all future general funds here in the State. There is no other special fund set up like this.

"The bill also creates a new innovation corporation. I'm not a big fan of increasing the size of government. The Hawaii Strategic Development Corporation, in talking to John Chock is more than

capable of administering any kind of Innovation Fund that we create. And as this measure moves forward, I hope that we require some private matching funds with this measure because if we don't have the private sectors buy-in, I don't think we should be risking taxpayer's money and solely funding future ventures on the backs of taxpayers. And so for those reasons, I would like to register a vote with reservations."

Representative Ward rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, I too, rise with reservations. None of us buy houses with cash. We go for long-term loans. And I think when you have a hundred million dollars to seed a fund, it's really a misuse of these types of funds. If it's the right purpose, the right intent, then we've got to seed with the money. I think the government has got a bill that says let's use the ERS fund. That's something that's not going to take immediately away from our existing programs and the need for future programs. I agree with the previous speaker that it needs to be looked at seriously again. Thank you."

Representative Berg rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker. I too rise with reservations. It is my understanding that this ability to give grants for entrepreneurial businesses and endeavors is really provided by the Hawaii Strategic Development Corporation. I would caution us to be paying attention to the nature of this corporation and its parameters, as well.

"As I look through, and having been on the Committee and listening to the testimonies as well, the purpose of the Corporation and the way in which the awards will be granted, don't seem to coalesce. And one of the concerns I have, and hope the next Committee will look at, is that if we are going to be giving any extensive amount of money to create a corporation that's going to create more economic opportunity, that we'll tie also into it an expectation for performance measurements. And if one of the purposes is to provide high quality, high income job opportunities, I think the measurement for awarding a grant would also have to include what that means in terms of numbers for people. Thank you."

Representative Belatti rose in support of the measure with reservations, and asked that the remarks of Representative Wakai be entered in the Journal as her own, and the Chair "so ordered." (By reference only.)

Representative Ching rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Meyer rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Finnegan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Marumoto rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 338, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Second Reading and was referred to the Committee on Finance.

Representative Yamashita, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 204) recommending that H.B. No. 932, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 932, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGH TECHNOLOGY," passed Second Reading and was referred to the Committee on Finance.

Representative Yamashita, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 205) recommending that H.B. No. 1010, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1010, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TECHNOLOGY GROWTH," passed Second Reading and was referred to the Committee on Finance.

Representative Yamashita, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 206) recommending that H.B. No. 1056, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1056, HD 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A REGULATORY BOARDS AND COMMISSIONS ADMINISTRATIVE ASSISTANT," passed Second Reading and was referred to the Committee on Finance.

Representative Yamashita, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 207) recommending that H.B. No. 1781, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1781, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE TECHNOLOGY AND INNOVATION CENTER," passed Second Reading and was referred to the Committee on Finance.

Representative Yamashita, for the Committee on Economic Development & Business Concerns presented a report (Stand. Com. Rep. No. 208) recommending that H.B. No. 584, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 584, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Finance.

Representative Waters, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 209) recommending that H.B. No. 319, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 319, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATIVE PROCEDURE," passed Second Reading, and was placed on the calendar for Third Reading.

Representative M. Oshiro, for the Committee on Finance presented a report (Stand. Com. Rep. No. 210) recommending that H.B. No. 1073, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Caldwell, seconded by Representative B. Oshiro and carried, the report of the Committee was adopted and H.B. No. 1073, entitled: "A BILL FOR AN ACT RELATING TO THE EMPLOYEES' RETIREMENT SYSTEM," passed Second Reading and was placed on the calendar for Third Reading.

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following resolution (H.R. No. 22) and concurrent resolution (H.C.R. No. 38) were referred to Printing and further action was deferred:

H.R. No. 22, entitled: "HOUSE RESOLUTION URGING THE UNITED NATIONS, EUROPEAN UNION, AND NORTH ATLANTIC TREATY ORGANIZATION TO PURSUE POLICIES DIRECTED AT ENDING THE ONGOING CONFLICT IN THE DARFUR REGION OF WESTERN SUDAN," was jointly offered by Representatives Cabanilla, Awana, Berg, Bertram, Caldwell, Hanohano, Manahan, Mizuno, Pine, Rhoads, Sonson, Takai, Tokioka, Ward, Carroll, Chang, Evans, Finnegan, Green, Har, Herkes, Ito, Luke, Magaoay, Marumoto, Meyer, M. Oshiro, Sagum, Shimabukuro, Souki, Thielen, Wakai, Yamane and Yamashita.

H.C.R. No. 38, entitled: "HOUSE CONCURRENT RESOLUTION RECOGNIZING NOVEMBER 21ST AS INTERNATIONAL PEACE AND RECONCILIATION DAY IN THE STATE OF HAWAII," was jointly offered by Representatives Cabanilla, Mizuno and Berg.

ANNOUNCEMENTS

Representative Carroll: "Thank you, Mr. Speaker. I have an announcement. Today we have a Hawaiian Caucus meeting. I would like to invite all of the Members of the House to join us for a presentation that will be given by Dr. Laiana Wong, Dr. Margie Maaka, Kalehua Krug, Kimo Cashman and Myren Burmaghin. They're from the University of Hawaii in Manoa and they'll be talking about a program called Hookula Iwi. That's today, 4:00 in Room 423. Thank you."

Representative Green: "Thank you, Mr. Speaker. Your Committee on Health, I just wanted to extend a word of thanks to the Sgt.-at-Arms and the Clerk's Office for the very long hours yesterday at the Death with Dignity hearing. Thank you, Mr. Speaker."

Representative McKelvey announced that the Committee on Consumer Protection and Commerce and the Committee on Judiciary will be conducting a joint hearing today at 1:45 in Room 325, with decision making to follow.

Representative B. Oshiro announced that the Committee on Judiciary will be conducting a public hearing on the various bills at 2:00 p.m. in Conference Room 325.

Representative Bertram announced that the Committee on Higher Education and Committee on Human Services and Housing will be conducting a joint hearing today at 2:00 p.m.; followed by the Committee on Higher Education and Committee on Economic Development and Business Concerns at 2:20; as well as the Committee on Higher Education at 2:35 in Conference Room 309.

Representative Brower announced that the Committee on Agriculture and the Committee on Water, Land and Ocean Resources and Hawaiian Affairs will be conducting a meeting for decision making tomorrow at 8:30 a.m.; followed by a Committee on Agriculture public hearing at 9:15 a.m. in Conference Room 325 with decision making to follow.

Representative Mizuno announced that the Committee on Health, the Committee on Human Services and Housing, and the Committee on Consumer Protection and Commerce will be conducting a joint public hearing on Friday, February 9, at 8:30 a.m. in Conference Room 329 with decision making to follow.

Representative Sonson announced that the Committee on Labor and Public Employment will be conducting a public hearing tomorrow, February 9, 2007 at 9:00 a.m.; followed by decision making on items previously heard, at 9:15 a.m.

Representative Sonson, for the Committee on Labor and Public Employment also requested a waiver of the 48-hour advanced notice requirement to hear HB No. 316, Relating to Workers' Compensation on the 9:15 agenda for decision making only, and the Chair "so ordered."

Representative Chong announced that the Committee on Water, Land, Ocean and Hawaiian Affairs, and the Committee on Agriculture will be conducting decision making at 8:30 a.m. tomorrow; followed by Water, Land Use, Ocean and Hawaiian Affairs public hearing at 9:15 a.m. in Conference Room 312.

Representative Sonson also announced that the Committee on Labor and Public Employment and the Committee on Public Safety and Military Affairs will be conducting a joint public hearing at 8:30 a.m. to consider other measures.

Representative Tokioka for the Committee on Legislative Management requested a waiver of the 48-hour advanced notice requirement to hear HB No. 314, HD 1 tomorrow at 2:00 pm. in Conference Room 423, and the Chair "so ordered."

ADJOURNMENT

At 12:53 o'clock p.m. on motion by Representative B. Oshiro, seconded by Representative Meyer and carried, the House of Representatives adjourned until 12:00 o'clock noon tomorrow, Friday, February 9, 2007. (Representatives Luke, Saiki and Takamine were excused.)